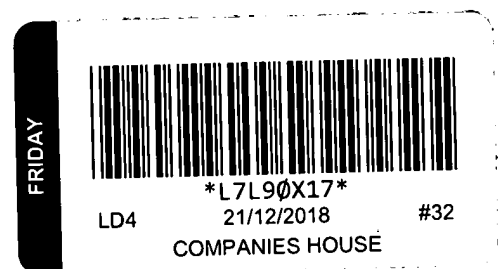


# Lee Chapel Multi Academy Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements  
For the year ended 31 August 2018



Company Registration Number: 07673871 (England and Wales)

# Lee Chapel Multi Academy Trust

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# Lee Chapel Multi Academy Trust

## Reference and Administrative Details

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### Govenors

Mrs Susan Jackson  
Mrs Joyce Waylett  
Mr Michael Stephen Betteridge  
Mr Dermot Gerard Kavanagh  
Miss Julie Anne Bird  
Mrs Alison Fiala  
Mr Craig O'Callaghan  
Mr Steve Robson  
Mrs Jane Randle  
Mrs Megan Jenkins  
Mr Michael Smith  
Mr Philip Cleaves

### Company Secretary

Mrs Victoria Carter

### Senior Management Team:

Head Teacher: Lee Chapel Primary School  
Head Teacher: Greensted Junior School  
Head Teacher: Northlands Primary School  
Head Teacher: Phoenix Primary School  
Head Teacher: Ryedene Primary School  
CFO/Finance Manager: Lee Chapel Primary School  
Finance Manager: Greensted Junior School  
Finance Manager: Northlands Primary School  
Finance Manager: Phoenix Primary School  
Finance Manager: Ryedene Primary School  
Other staff: Lee Chapel Primary School  
Other staff: Lee Chapel Primary School  
Other staff: Lee Chapel Primary School  
Other staff: Lee Chapel Primary School  
Other staff: Greensted Junior School  
Other staff: Greensted Junior School  
Other staff: Greensted Junior School  
Other staff: Northlands Primary School  
Other staff: Northlands Primary School  
Other staff: Northlands Primary School  
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Other staff: Phoenix Primary School  
Other staff: Phoenix Primary School  
Other staff: Phoenix Primary School  
Other staff: Phoenix Primary School  
Other staff: Phoenix Primary School  
Other staff: Ryedene Primary School

S L Jackson  
I Hampshire  
J Young  
K Geary  
T Dennis  
A Burrows  
J Butterworth  
S Gilbert  
C Gardner  
J Fisher  
A Toomer  
B Figg  
S Chetty  
B Proctor  
C Danyali  
D Rowe  
H Dobson  
J Brizman  
E Gillen  
L Baldwin  
K Inskip  
J Glascott  
H Leo  
J Hann  
M Kirkham  
S Dury  
B Mason  
J Smith  
H Cooksey

### Principal and Registered Office

The Knares  
Basildon  
Essex  
SS16 5RU

### Company Registration Number

07673871 (England and Wales)

## Lee Chapel Multi Academy Trust Reference and Administrative Details

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Independent Auditor		Kingston Smith LLP Devonshire House 60 Goswell Road London EC1M 7AD
Bankers	Lee Chapel Primary School Phoenix Primary School	Lloyds Bank 89 High Street Billericay Essex CM12 9AT
	Northlands Primary School Ryedene Primary School Greensted Juniors School	Lloyds Bank 14-20 Town Square Basildon Essex SS14 1DU
	Greensted Juniors School	Barclays 19 Town Square Basildon Essex SS14 1BA

# **Lee Chapel Multi Academy Trust**

## **Governors' Report**

### **For the year ended 31 August 2018**

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The trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31<sup>st</sup> August 2018. The annual report serves the purposes of trustees report and a directors' report under company law.

The Lee Chapel Multi Academy Trust incorporating Lee Chapel Primary School was inaugurated on 23<sup>rd</sup> July 2011 and became a Multi Academy Trust when Greensted Junior School joined the trust on 1<sup>st</sup> September 2012. The Phoenix Primary School & Nursery, Northlands Primary School & Nursery, Ryedene Primary & Nursery School and Lee Chapel Nursery joined the trust on 1<sup>st</sup> September 2016.

Greensted Infants School will be joining the Trust on 1<sup>st</sup> September 2018.

The Trust changed its name to Lee Chapel Multi Academy Trust on 18<sup>th</sup> January 2017.

The academy trust operates 4 primary schools and a junior school in Basildon. The census on 18<sup>th</sup> January 2018 was:

Lee Chapel Primary School has 819 pupils and 120 nursery children. (Capacity 930)

Greensted Junior School has 240 pupils.

The Phoenix Primary and Nursery has 434 pupils and 61 nursery children

Ryedene Primary & Nursery School has 202 pupils and 21 nursery children.

Northlands Primary School & Nursery has 503 pupils and 71 nursery children.

Each school's catchment area is determined annually following the number of applications received by Essex County Council (our admissions authority) within the Basildon area. The distance from the school for pupils to be admitted is therefore changeable but always within the local community.

## **Structure, Governance and Management**

### Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of Lee Chapel Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company operates as Lee Chapel Multi Academy Trust.

Details of the members/trustees who served during the year, and to the date these accounts are approved are included in the Reference and Administrative Details.

### Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

### Governors' / Trustees' Indemnities

The Charitable Company has purchased Trustees' Liability Insurance through Zurich Insurance.

### Method of Recruitment and Appointment or Election of Governors / Trustees

The Multi Academy Trust comprises the following from Lee Chapel Academy Governing Body: the head teacher, Chair, Vice Chair, Chair of Personnel & Pupils and a Parent; Greensted Governing Body: the Chair and a Parent, Phoenix, Northlands & Ryedene: each school's Chair of Governors and independently 2 community governors.

# **Lee Chapel Multi Academy Trust**

## **Governors' Report**

### **For the year ended 31 August 2018**

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Lee Chapel Academy's Governing Body comprises the Head Teacher, two Staff Governors (who are employees of Lee Chapel School (Academy) 2 parent Governors and 5 Community Governors. The Articles of Association require that there be a minimum of 3 Governors. The term is normally 4 years although the Governors can resign at any time during this period.

Parent Governors are elected by the parents of current pupils.

Staff Governors are elected by the staff currently employed by the school.

With regards to the appointment of Community Governors, the Governing body will ensure that consideration is given to the skills mix of the Governors so that they can contribute fully to ensure the Academy's development.

Greensted Junior School Academy's Governing Body comprises the head teacher, two staff governors (who are employees of the Multi Academy Trust) four parent governors and six community governors. The term is normally 4 years although governors can resign at any time during this period.

Parent Governors are elected by the parents of current pupils of Greensted Junior School.

Staff Governors are elected by the staff currently employed by the Greensted Junior School Academy.

With regards to the appointment of Community Governors, the Governing body will ensure that consideration is given to the skills mix of the Governors so that they can contribute fully to ensure the Academy's development.

The Phoenix Primary School & Nursery Governing Body comprises the head teacher, two staff governors (who is an employee of the Academy Trust) one parent governor and 5 co-opted governors. There is currently one vacancy for a co-opted governor. The term is normally 4 years although governors can resign at any time during this period.

Parent Governors are elected by the parents of current pupils of The Phoenix Primary School & Nursery. As provided for in the Scheme of Delegation, the members appointed the current parent Governors on the basis that they had been elected to serve as Parent Governors at The Phoenix Primary School.

Staff Governors are elected by the staff currently employed by The Phoenix Primary School & Nursery. The Members appointed the current Staff Governor on the basis that they had been elected to serve as Staff Governor of the former Phoenix Primary School.

Ryedene Primary & Nursery School Governing Body comprises the head teacher, two staff governors (who are employees of the Academy Trust) three parent governors and four co-opted governors and one local authority governor. The term is normally 4 years although governors can resign at any time during this period.

Parent Governors are elected by the parents of current pupils of Ryedene Primary & Nursery School. As provided for in the Scheme of Delegation, the members appointed the current parent Governors on the basis that they had been elected to serve as Parent Governors of the former Ryedene Primary & Nursery School.

Staff Governors are elected by the staff currently employed by the Ryedene Primary & Nursery School. The Members appointed the current Staff Governors on the basis that they had been elected to serve as Staff Governors of the former Ryedene Primary & Nursery School.

With regards to the appointment of Community Governors, the Governing body will ensure that consideration is given to the skills mix of the Governors so that they can contribute fully to ensure the Academy's development

Northlands Primary School & Nursery Academy's Governing Body comprises the head teacher, two staff governors (who are employees of the Academy Trust), one local authority governor, two parent governors and 7 co-opted governors (one of whom is an employee of the Academy Trust).

# **Lee Chapel Multi Academy Trust**

## **Governors' Report**

### **For the year ended 31 August 2018**

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Staff Governors are elected by the staff currently employed by the Northlands Primary School & Nursery Academy. The Members appointed the current Staff Governors on the basis that they had been elected to serve as Staff Governors of the former Northlands Primary School & Nursery

#### Policies and Procedures Adopted for the Induction and Training of Trustees and Governors

All the schools Governing Bodies subscribe to Essex Governor Services who run the Governor Induction courses and new Governors details are provided to Essex Governor Services so that they can receive the induction pack and the training courses details.

The training link Governor receives additional training information which is forwarded to the Governors by the Clerk in order that each Governor has the opportunity to attend appropriate training courses.

The Multi Academy Trust runs training evenings in conjunction with Essex Governor Services concentrating on five specific subjects. All the governors are invited to attend the training sessions which are held at the schools. The training sessions for 2017/18 were Making Effective Governor Visits; Understanding Progress; Overview of Pupils with Special Educational Needs and/or Disabilities; Narrowing the Gap [Pupil Premium]; Safeguarding.

#### **Organisational Structure**

In line with the Trusts scheme of delegation the academy trust board meets once a term and have an additional meeting to agree the budgets in the summer term.

All local Governing Bodies meet at least once a term. The local Governing Bodies of each school may also have established committees.

Lee Chapel Primary School & Nursery has a local governing body meeting which include Finance & Audit (incorporating Premises & Personnel) and Curriculum & Pupil Related.

Northlands Primary School & Nursery are 'local Finance & Audit (incorporating Premises & Personnel)' and 'local Curriculum & Pupil Related'.

Greensted's are 'local Finance, Premises and Personnel' and 'local Curriculum & Pupil Related'.

Phoenix's are 'local Finance and Resources' and 'local Curriculum & Pupil Related'

Ryedene Primary & Nursery School has a local governing body, which focuses on Finance & Resources or Curriculum & Pupils.

In addition to these committees the schools have statutory committees that meet as and when required.

Each committee has Terms of Reference which delegate some decisions to each committee from the board of trustees. The local governing body meeting receives reports from the committees.

Any changes to policy documents must be agreed by the board of trustees.

At the first local governing body meeting in the autumn term the governors elect the chair & vice chair of the local governing body and each of the committees if required.

The local Finance & Audit (incorporating Premises & Personnel) or similar committee or local Governing Body approves the draft plans and budgets presented by the head teacher. The board of trustees approve the final budgets presented in the summer term. The local Finance & Audit committee (incorporating premises & Personnel) monitor the budget and ensure that any decisions made are within the powers delegated to them. Any financial agreements in excess of the committee's limits are presented to the local Governing Body or board of trustees for approval. Lee Chapel is incorporated

# **Lee Chapel Multi Academy Trust**

## **Governors' Report**

### **For the year ended 31 August 2018**

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within the local governing body meeting.

The day to day running of the Academies is delegated to the Head teacher. The Multi Academy Trust Accounting Officer as required by the Funding Agreement with the Department of Education is Lee Chapel Primary School's head teacher.

#### Arrangements for setting pay and remuneration of key management personnel

The trustees have delegated the responsibility of remuneration for key management personnel to the CEO / head teacher of Lee Chapel, chair of the board and the individual chair of governors from the local governing body. Decisions regarding performance related pay are made at the head teachers performance review and recommendations are forwarded to the local governing body and the board of directors are informed. The review for the head teacher of Lee Chapel is conducted by the local governing body chair, vice chair and chair of finance and audit committee (the head teacher is not paid for the CEO role).

The CFO performance review and pay is conducted by the CEO and the chair of the board of Directors.

#### Connected Organisations, including Related Party Relationships

Lee Chapel Primary School Academy became Lee Chapel Academy Trust a Multi Academy Trust and the sponsor of Greensted Junior School on 1<sup>st</sup> September 2012. The Phoenix Primary School & Nursery, Northlands Primary School & Nursery, Ryedene Primary & Nursery School and Lee Chapel Nursery joined the trust on 1<sup>st</sup> September 2016.

### **Objectives and Activities**

#### Objects and Aims

The academy trust's object is to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools ("the Academies") offering a broad and balanced curriculum.

The principal aim of the academy trust is to provide high quality learning that helps all children meet their potential.

Further aims are

- To provide an environment that enables children to learn and teachers to teach effectively
- To recognise high achieving children and to help them achieve their potential
- To provide equal opportunities for all to achieve

#### Objectives, Strategies and Activities

Lee Chapel Primary School & Nursery focused on the following objectives

- Further improve provision and outcomes for all pupils regardless of whether they are disadvantaged or have additional needs by:
- Introducing Bold Beginnings across the Early Years and foundation stage
- Increase the number of English & Maths sets across the school
- Embed new systems for tracking and monitoring pupils' attainment and robustly analyse and review pupil progress, taking swift action when cohorts fail to make expected progress
- Development of key financial and administrative procedures
- Increase the leadership capacity of the school, through an extended leadership approach, to harness the skills and attributes of new staff as part of the schools succession planning.
- Introduce cutting edge technologies and pedagogy to increase the percentage of outstanding lessons and pupil outcomes.

Greensted Junior School focused on the following objectives

- Review of staffing levels in the light of budgetary pressures
- Continued development of systems for tracking and monitoring pupils attainment



# Lee Chapel Multi Academy Trust

## Governors' Report

### For the year ended 31 August 2018

- Maintain and develop high standards of achievement and behaviour
- Development of key financial and administrative procedures
- Increase expectations of each pupil whilst supporting and challenging them in order to fulfil their potential

The Phoenix Primary School & Nursery focused on the following objectives

- Maintain and develop high standards of achievement and behaviour
- Continued development of systems for tracking and monitoring pupils attainment
- Development of key financial and administrative procedures
- Review of staffing levels in the light of budgetary pressures
- The school continues with its expansion programme growing from 2 forms of entry to 3 forms of entry with the reception, Year 1 and Year 2 having 90 children.

Northlands Primary School & Nursery focused on the following objectives

- Raising attainment at end of Key Stage Two for all groups of children
- Raising attainment in writing across the school
- Improving the attainment of more able

Ryedene Primary & Nursery School focused on the following objectives

- Development of key financial and administrative procedures arising from the conversion to Academy status
- Review of staffing levels in the light of budgetary pressures
- Improve the quality of Teacher & Learning
- Improve outcomes and attendance for disadvantaged pupils

#### Public benefit

The academy trust receives the majority of its income from the Department for Education to provide educational services to children and to ensure a broad & balanced curriculum. The Trustees are satisfied that they meet the public benefit criteria.

The trustees confirm that they have complied with the duty in section 17 of the Charities Act 2011 to have regard to the Charity Commission's general guidance on public benefit, 'Charities and Public Benefit'.

### Lee Chapel Primary School & Nursery

Lee Chapel Primary School is an oversubscribed primary school which has an Outstanding Ofsted rating.

The school received 460 applications for the September 2018 Reception intake for 120 places of which 230 were 1<sup>st</sup> choice and 230 2<sup>nd</sup> & 3<sup>rd</sup> choice. The school has 4 open mornings with a total of 8 sessions which it holds in the autumn term for prospective new parents.



Aspire, Believe, Achieve

### Lee Chapel Primary School

#### Pupil Outcomes 2018



Aspire, Believe, Achieve

Early Years Foundation Stage	% achieving GLD	% achieving EXP+EXC Reading	% achieving EXP+EXC Writing	% achieving EXP+EXC Number	% achieving EXP+EXC SSM	% achieving EXP+EXC Self conf	% achieving EXP+EXC Man feelings	% achieving EXP+EXC Rel
All Pupils (120)	75.8%	82.5%	80.8%	87.5%	75.8%	87.5%	88.3%	91.7%
Pupil Premium (13)	46.2%	53.8%	53.8%	84.6%	46.2%	84.6%	84.6%	84.6%
Non Pupil Premium (107)	79.4%	86.0%	84.1%	87.9%	79.4%	87.9%	88.8%	92.5%
Boys (59)	72.9%	81.4%	79.7%	83.1%	72.9%	84.7%	83.1%	86.4%
Girls (61)	78.7%	83.6%	82.0%	91.8%	78.7%	90.2%	93.4%	96.7%

**Lee Chapel Multi Academy Trust**  
**Governors' Report**  
**For the year ended 31 August 2018**

Year 1 Phonics	% achieving national expectations
All Pupils (123)	87.0%
Pupil Premium (18)	83.3%
Non Pupil Premium (105)	87.6%

**End of Key Stage 1**

	No. of pupils meeting age related expectations	% of pupils meeting age related expectations	No. of pupils exceeding age related expectations	% of pupils exceeding age related expectations
<b>Reading</b>				
All pupils (122)	108	88.5%	39	32.0%
Pupil Premium (17)	14	82.4%	4	23.5%
Non Pupil Premium (105)	94	89.5%	35	33.3%
<b>Writing</b>				
All pupils (122)	99	81.1%	29	23.8%
Pupil Premium (17)	12	70.6%	3	17.6%
Non Pupil Premium (105)	87	82.9%	26	24.8%
<b>Maths</b>				
All pupils (122)	112	91.8%	43	35.2%
Pupil Premium (17)	15	88.2%	7	41.2%
Non Pupil Premium (105)	97	92.4%	36	34.3%
<b>Combined Results (Reading, Writing and Maths)</b>				
All pupils (122)	99	81.1%	23	18.9%
Pupil Premium (17)	12	70.6%	3	17.6%
Non Pupil Premium (105)	87	82.9%	20	19.0%

**End of Key Stage 2**

	No. of pupils meeting age related expectations	Lee Chapel % of pupils meeting age related expectations	% pupils achieving 'at least expected' Essex	% pupils achieving 'at least expected' England	Progress Measure: KS1 to KS2	No. of pupils exceeding age related expectations (Test Scaled Score ≥ 110)	% of pupils exceeding age related expectations (Test Scaled Score ≥ 110)
<b>Reading</b>							
All pupils (88)	67	76.1%	%	%	<i>pending</i>	24	27.3%
Pupil Premium (23)	18	78.3%				6	26.1%
Non Pupil Premium (65)	49	75.4%				18	27.7%
<b>Writing (Teacher Assessment)</b>							
All pupils (88)	82	93.2%	%	%	<i>pending</i>	43	48.9%
Pupil Premium (23)	22	95.6%				7	30.4%
Non Pupil Premium (65)	60	92.3%				36	55.4%
<b>Maths</b>							
All pupils (88)	80	90.9%	%	%	<i>pending</i>	36	40.9%
Pupil Premium (23)	19	82.6%				6	26.1%
Non Pupil Premium (65)	61	93.8%				30	46.2%
<b>Combined Results (Reading, Writing and Maths)</b>							
All pupils (88)	64	72.7%	%	%		15	17.0%
Pupil Premium (23)	17	73.9%				3	13.0%
Non Pupil Premium (65)	47	72.3%				12	18.5%

**Analysis**

A cohort of 66 children grew to 88 at the end of year 5 due to the school's rapid expansion and inability to defend against managed moves because the school was not at its new (Pupil Admission Numbers) PAN of 120 pupils. Of the 22 who joined the school 17 (who joined at the end of 5 or beginning of year 6) failed to reach the national standard in reading despite all the interventions which were put in place for them. Given the short period of time they were at the school it was always going to be a difficult challenge to accelerate the progress of pupils who were already significantly age related standards in all 3 subjects.

# Lee Chapel Multi Academy Trust

## Governors' Report

### For the year ended 31 August 2018

The school also saw a dip in those children achieving the greater depth standard and this was due in part to the marks scheme not being applied correctly. The schools put in appeals against 18 scripts and only 2 were overturned.

In order to ensure that this dip in standards in reading is not repeated the school has introduced Big Read and a refocus on intensive teaching of reading and comprehension skills.

The current year 6 which also expanded from 2 to 4 forms of entry also has a number of pupils new to the year group but because the majority joined in year 5 we are confident that we have sufficient time to get them to age related expectations. There are a number of children with EHCP plans in this cohort which will again impact on the schools results however, all of these children will have made good to outstanding progress from their relative starting points.

#### Attendance

Whole School Attendance 2017/2018 = 97.4%  
FSM / Pupil Premium Attendance 2017/2018 =96.38%

Whole School Attendance 2016/2017 = 97.13%  
FSM / Pupil Premium Attendance 2016/17 =96.27%

#### Lee Chapel Teaching School Alliance

The Lee Chapel Teaching School runs the School Direct Training programme for the Basildon schools. The teaching school advertise and recruit trainees who wish to train as teachers. The teaching school can award Qualified Teacher Status (QTS). The Teaching school had 13 trainees who were awarded their Qualified Teacher Status and 13 gained employment within the Basildon schools. For 2018/2019 the teaching school alliance has appointed 22 trainee School Direct students, and will recruit up to 45 in 2019/2020 in order to train sufficient outstanding teachers for the needs of the locality.

#### Greensted Junior School

Greensted Junior School was judged to be 'Outstanding' in its Ofsted Inspection (July 2016). It was awarded 'Outstanding' in all 4 categories which include; Effectiveness of Leadership and Management, Quality of Teaching, Learning and Assessment, Personal Development, Behaviour and Welfare and Outcomes for Pupils. This is a coveted designation that reflected the commitment and hard work of all of our key stakeholders.

Greensted Junior School continues in its mission to ensure that all students achieve their potential; it provides a wide range of extra-curricular activities, our main objective has been to continue providing high quality teaching, learning and assessment, curriculum provision, leadership and management. Our aim this year has been to raise the level of achievement after two disappointing years of SAT results.

#### Key Stage Two Results 2018

	No. of pupils meeting age related expectations	Greensted % of pupils meeting age related expectations	% pupils achieving 'at least expected' Essex	% pupils achieving 'at least expected' England	Progress Measure: KS1 to KS2	No. of pupils exceeding age related expectations (Test Scaled Score ≥ 110)	% of pupils exceeding age related expectations (Test Scaled Score ≥ 110)
<b>Reading</b>							
All pupils (60)	48	80.0%		75.0%		15	25.0%
Pupil Premium (16)	9	56.3%				2	13.0%
Non Pupil Premium (44)	38	86.4%				13	30.0%
<b>Writing (Teacher Assessment)</b>							
All pupils (60)	52	86.7%		78.0%		10	16.6%
Pupil Premium (16)	13	81.3%				2	12.5%

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Non Pupil Premium (44)	39	88.6%				8	18.2%
<b>Maths</b>							
All pupils (60)	44	73.3%		76.0%		8	13.3%
Pupil Premium (16)	8	50.0%				1	6.3%
Non Pupil Premium (44)	35	80.0%				7	16.0%
<b>Combined Results (Reading, Writing and Maths)</b>							
All pupils (60)	41	68.3%		64.0%		6	10.0%
Pupil Premium (16)	7	43.8%				1	6.3%
Non Pupil Premium (44)	31	70.5%				5	11.5%

<b>Grammar, Punctuation &amp; Spelling</b>							
All pupils (60)	53	88.3%		78.0%		21	35.0%
Pupil Premium (16)	14	88.0%				5	31.3%
Non Pupil Premium (44)	38	86.4%				16	36.4%

This table shows the number and percentage of eligible Year 6 children achieving the various age related expectations in relation to the new 'Bands' system.

**Attendance**

Whole School Attendance 2017/2018 = 95.4%

FSM / Pupil Premium Attendance 2017/18 = 93.3%

Whole School Attendance 2016/2017 = 96.2% (National attendance 2016/17 96.1%)

FSM / Pupil Premium Attendance 2016/17 = 94.18%

**The Phoenix Primary School & Nursery**

Early Years Foundation Stage	% achieving GLD	% achieving EXP+EXC Reading	% achieving EXP+EXC Writing	% achieving EXP+EXC Number	% achieving EXP+EXC SSM	% achieving EXP+EXC Self conf	% achieving EXP+EXC Man feelings	% achieving EXP+EXC Rel
All Pupils (60)	78.3	78.3	78.3	78.3	78.3	93.4	93.4	93.4
Pupil Premium (17)	58.8	58.8	58.8	58.8	58.8	83.3	83.3	83.3
Non Pupil Premium (43)	86.0	86.0	86.0	86.0	86.0	92.4	92.4	92.4
Boys (25)	68	68	68	68	68	67.6	67.6	67.6
Girls (35)	85.7	85.7	85.7	85.7	85.7	85.6	85.6	85.6

Year 1 Phonics (83)	% achieving national expectations
All Pupils (83)	84.3
Pupil Premium (33)	75.3
Non Pupil Premium (50)	90.0

**Lee Chapel Multi Academy Trust**  
**Governors' Report**  
**For the year ended 31 August 2018**

**End of Key Stage 1**

	No. of pupils meeting age related expectations	% of pupils meeting age related expectations	No. of pupils exceeding age related expectations	% of pupils exceeding age related expectations
<b>Reading</b>				
All pupils (83)	67	80.7	39	47.0
Pupil Premium (32)	24	68.8	11	34.4
Non Pupil Premium (51)	44	84.3	27	52.9
<b>Writing</b>				
All pupils (83)	65	78.3	35	42.2
Pupil Premium (32)	22	68.8	11	34.4
Non Pupil Premium (51)	43	84.4	24	47.1
<b>Maths</b>				
All pupils (83)	70	84.3	27	32.5
Pupil Premium (32)	27	84.4	6	18.8
Non Pupil Premium (51)	43	84.3	21	41.2
<b>Combined Results (Reading, Writing and Maths)</b>				
All pupils (83)	62	74.6	14	16.8
Pupil Premium (32)	16	50	4	12.5
Non Pupil Premium (51)	43	84.3	18	35.3

**End of Key Stage 2**

	No. of pupils meeting age related expectations	Phoenix % of pupils meeting age related expectations	% pupils achieving 'at least expected' Essex (2017)	% pupils achieving 'at least expected' England (2017)	Progress Measure: KS1 to KS2	No. of pupils exceeding age related expectations (Test Scaled Score ≥ 110)	% of pupils exceeding age related expectations (Test Scaled Score ≥ 110)
<b>Reading</b>							
All pupils (45)	43	96%	73.0%	71.0%	<i>pending</i>	20	44%
Pupil Premium (25)	23	92%				12	48%
Non Pupil Premium (20)	20	100%				8	40%
<b>Writing (Teacher Assessment)</b>							
All pupils (45)	40	89%	78.0%	76.0%	<i>pending</i>	8	18%
Pupil Premium (25)	22	88%				5	20%
Non Pupil Premium (20)	18	90%				3	15%
<b>Maths</b>							
All pupils (45)	41	91%	76%	75%	<i>pending</i>	10	22%
Pupil Premium (25)	23	92%				5	20%
Non Pupil Premium (20)	18	90%				5	25%
<b>Combined Results (Reading, Writing and Maths)</b>							
All pupils (45)	40	89%	63%	61%		8	18%
Pupil Premium (25)	22	88%				5	20%
Non Pupil Premium (20)	18	90%				3	15%
<b>Spelling, Grammar and Punctuation</b>							
All pupils (45)	39	87%				15	33%
Pupil Premium (25)	21	84%				8	32%
Non Pupil Premium (20)	18	90%				7	35%

## **Lee Chapel Multi Academy Trust Governors' Report For the year ended 31 August 2018**

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The Phoenix Primary School and Nursery has recently expanded the Nursery to accommodate 120 pupils. The school has split the Nursery into 2 distinct age group classes (rising 3 and rising 4) to ensure the older pupils are Reception class ready.

Since joining Lee Chapel Multi Academy Trust the school has seen radical improvements across all key stages and most notable in KS2 result in 2018. The school has worked closely with Sue Jackson (CEO) and has implemented all the suggested improvements to systems and teaching resulting in significant improvements in terms of pupils' outcomes.

The school is now mid transition to a three-form entry primary school, three classes in EYFS, KS1, and Year 3 (September 2018).

The school is oversubscribed in both the nursery and reception.

The school have worked tirelessly to improve its reputation, which was poor in the past but the academy is now held in high regard by all and governors are extremely proud of the achievements to date.

The success of the school's progress on its school improvement journey is due to talented and dedicated staff and the swift action of the leadership team. The distributed leadership and 'team purpose' is also a significant factor in the success of the school. The aspirational strategic and robust operational leadership and management of the school continues to drive up pupils' standards of attainment (as evidenced in books) and accelerate their progress (evidenced in tracking data and pupil outcomes).

The learning environment and building updates have inspired the children and promoted a 'can do' culture which has supported the schools drive to raise standards of attainment and rates of pupil progress.

The school has been most successful with accelerating the progress of the most disadvantage pupils and those in receipt of pupil premium or SEN funding.

### **Attendance**

Whole School Attendance 2017/18 94.5%

FSM/Pupil Premium Attendance 2017/18 93.3%

The school has six extremely vulnerable children who have severely affected the attendance figures. Case studies account for the poor attendance and they are monitored daily. If excluded the attendance is 95.5%.

Whole School Attendance 2016/2017 = 94.6%

FSM / Pupil Premium Attendance 2016/17 = 93.6%

### **Ryedene Primary & Nursery School**

The school received 52 applications for the September 2018 Reception intake for 30 places. The school has held 2 open mornings.

Ryedene Primary and Nursery School was graded as 'good' by Ofsted in November 2016 however a decline in standards made the school vulnerable to be deemed 'coasting' or 'requiring improvement' in its next inspection so the decision was made to convert to academy status and join the Lee Chapel Multi Academy Trust from September 2016. Standards at the end of KS2 were above the national average at the end of 2017, due to the hard work and improved strategies put in place by the head teacher and senior leadership team.

Improvements in the quality of teaching have been supported by the head teacher and the team of SLEs allocated to the school from the MAT. The staff work well together as a team, and have welcomed and acted upon the support. School leaders continue to scrutinise and act upon outcomes for disadvantaged pupils, and in 2018/19 will focus on increasing the number of disadvantaged pupils working at greater depth.

Strengths of the school, highlighted in recent MAT a peer reviews include;

- The quality of work in books continues to improve and there is evidence of good productivity in science and theme books

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- Handwriting has improved
- Calm purposeful atmosphere within the school
- Children behave well and have good learning behaviours
- Good progress over time can be evidenced
- The school environment is much improved and will be enhanced by the provision of a new classroom to replace an existing demountable by September 2018.
- Children continue to be given opportunities to write at length in order to apply their literacy skills and develop writing stamina
- Assessment for learning – marking in books is regular with some very good practice that outlines how to improve and poses questions and challenges that are responded to by pupils

Governors regularly monitor the work of the school, as outlined in the School Development Plan. During 2017/18 governor monitoring has focussed on attendance [a development point from the 2011 Ofsted Inspection Report], standards and progress for all pupils, with a particular focus on disadvantaged pupils, and safeguarding.

**Pupil Outcomes 2018**

**End of Key Stage 1**

	No. of pupils meeting age related expectations	% of pupils meeting age related expectations	No. of pupils exceeding age related expectations	% of pupils exceeding age related expectations
<b>Reading</b>				
All pupils (29)	21	72%	8	28%
Pupil Premium (9)	7	78%	3	33%
Non Pupil Premium (20)	14	70%	5	25%
<b>Writing</b>				
All pupils (29)	20	69%	6	21%
Pupil Premium (9)	6	67%	1	11%
Non Pupil Premium (20)	14	70%	5	25%
<b>Maths</b>				
All pupils (29)	22	76%	6	21%
Pupil Premium (9)	7	78%	3	33%
Non Pupil Premium (20)	15	75%	3	15%
<b>Combined Results (Reading, Writing and Maths)</b>				
All Pupils (29)	20	69%	2	7%
Pupil Premium (9)	6	67%	0	0%
Non Pupil Premium (20)	14	70%	2	10%

**End of Key Stage 2**

	No. of pupils meeting age related expectations	% of pupils meeting age related expectations	% pupils achieving 'at least expected' Essex	% pupils achieving 'at least expected' England	Progress Measure: KS1 to KS2	No. of pupils exceeding age related expectations (Test Scaled Score ≥ 110)	% of pupils exceeding age related expectations (Test Scaled Score ≥ 110)
<b>Reading</b>							
All pupils (28)	19	68%		75%		8	29%
Pupil Premium (14)	8	57%				1	7%
Non Pupil Premium (14)	11	79%				7	50%
<b>Writing (Teacher Assessment)</b>							
All pupils (28)	21	75%		78%		8	29%
Pupil Premium (14)	10	71%				1	7%
Non Pupil Premium (14)	11	79%				7	50%
<b>Maths</b>							
All pupils (28)	21	75%		76%		6	21%

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Pupil Premium (14)	11	79%				0	0%
Non Pupil Premium (14)	10	71%				6	43%
<b>Combined Results (Reading, Writing and Maths)</b>							
All Pupils (28)	16	57%		64%		6	21%
Pupil Premium (14)	7	50%				0	0%
Non Pupil Premium (14)	9	64%				6	43%
<b>Grammar, Punctuation &amp; Spelling</b>							
All Pupils (28)	24	86%				14	50%
Pupil Premium (14)	12	86%				6	43%
Non Pupil Premium (14)	12	86%				8	57%

To further improve outcomes for pupils so that more pupils reach and exceed age related expectations across the school

- to create an inspirational curriculum that meets the needs of the pupils in our locality
- to have more outstanding teaching
- to expand the school from one to two forms of entry in order to meet locality 'Basic Needs'

#### **Attendance**

Attendance 2017/2018 = 94.5% (National attendance 2016/17 95.3%)  
 FSM / Pupil Premium Attendance 2017/18 = 93.8%

Attendance 2016/2017 = 94.54% (National attendance 2016/17 95.3%)  
 FSM / Pupil Premium Attendance 2016/17 = 93.81%

#### **Northlands Primary School and Nursery**

Northlands Primary School and Nursery have worked hard closely following the School Improvement Plan over the past two years and the result of this has been rapid school improvement with 2 consecutive years of improved outcomes for children. The main foci this year has been reading and writing with a real push on writing in Reception and KS1. We are particularly pleased with our results this year and this is the first year for Northlands when we have had KS2 results which have been above floor for combined.

#### **Outcomes for 2018**

<b>Early Years Foundation Stage</b>	% achieving GLD	% achieving EXP+EXC Reading	% achieving EXP+EXC Writing	% achieving EXP+EXC Number	% achieving EXP+EXC SSM	% achieving EXP+EXC Self conf	% achieving EXP+EXC Man feelings	% achieving EXP+EXC Rel
All Pupils	68.9%	73%	70%	74.3%	79.7%	90.5%	83.8%	86.5%
Pupil Premium (16)	56.3%	56.3%	56.3%	68.8%	62.5%	68.8%	75%	75%
Non Pupil Premium	72.4%	77.6%	74.1%	75.9%	84.5%	96.6%	86.2%	89.7%
Boys (33)	66.7%	72.6%	66.7%	72.7%	81.8%	90.9%	78.8%	84.8%
Girls	70.7%	73.2%	73.2%	75.6%	78%	90.2%	87.8%	87.8%

This is an improvement for the early years, particularly with writing and achievement for boys.

<b>Year 1 Phonics</b>	<b>% achieving national expectations</b>
All Pupils	88%
Pupil Premium	86%
Non Pupil Premium	89.7%



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This has been a huge improvement in our phonics results for Year 1. This year we have a newly appointed Phonics Champion who has taken part in the Essex pilot for phonics and has led training across the school. We have also invested in the Jolly Phonics scheme.

End of KS1	No. of pupils meeting age related expectations	% of pupils meeting age related expectations	No. of pupils exceeding age related expectations	% of pupils exceeding age related expectations
<b>Reading</b>				
All pupils	50	66.7%	9	12%
Pupil Premium (34)	18	52.9%	2	5.9%
Non Pupil Premium (41)	32	78%	7	17.1%
<b>Writing</b>				
All pupils	46	61.3%	6	8%
Pupil Premium	18	52.9%	1	2.9%
Non Pupil Premium	28	68%	5	12.2%
<b>Maths</b>				
All pupils	48	64%	15	20%
Pupil Premium	17	50%	3	2.9%
Non Pupil Premium	31	75.6%	12	29.3%
<b>Combined Results (Reading, Writing and Maths)</b>				
All Pupils	39	52%	6	8%
Pupil Premium	15	44.1%	1	2.9%
Non Pupil Premium	24	58.5%	5	12.2%

The KS1 results are below Essex's results. The data is low as there was a high percentage of pupils with EHCPs and high levels of SEN.

On reviewing the data it has been recognised that removing the children with EHCPs from the data (plus a recent child who was new to the school without an EHCP) then the data was as follows:

Reading- 73%, writing – 67%, Maths- 70%. This would be in line with the Essex results.

By removing all the SEN out of the data then the results were as follows:

Reading- 84%, writing- 80% and maths- 80%

KS2 Outcomes	No. of pupils meeting age related expectations	% of pupils meeting age related expectations	% pupils achieving 'at least expected' Essex	% pupils achieving 'at least expected' England	Progress Measure: KS1 to KS2	No. of pupils exceeding age related expectations (Test Scaled Score ≥ 110)	% of pupils exceeding age related expectations (Test Scaled Score ≥ 110)
<b>Reading</b>							
All pupils	47	75%		75%		15	24%
Pupil Premium (39)	28	72%				6	15%
Non Pupil Premium (24)	19	79%				9	38%
<b>Writing (Teacher Assessment)</b>							
All pupils	50	79%		78%		8	13%
Pupil Premium (39)	29	74%				3	8%
Non Pupil Premium	21	88%				5	21%
<b>Maths</b>							
All pupils	46	73%		76%		9	14%
Pupil Premium	27	69%				3	8%

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Non Pupil Premium	19	79%				6	25%
<b>Combined Results (Reading, Writing and Maths)</b>							
All Pupils	43	68%		64%			
Pupil Premium	25	64%					
Non Pupil Premium	18	75%					

Next year the focus for school Improvement will be:

To embed the improvements made this year

To continue to drive up attainment for all groups of children, including PP.

To continue to improve the quality of writing across the whole school, in particular greater depth.

To focus on challenge and greater depth in Maths

### **Attendance**

Attendance 2017/2018 = 94.7%

### **Strategic Report**

#### Going Concern

After making appropriate enquiries, the trustees have a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

#### Financial Review

The academy have made it a priority to ensure high standards are maintained in the children's attainments and the environment they are taught in but at the same time as ensuring this is within the budget and any proposals for additional expenditure is rigorously evaluated especially in view of the current climate of uncertainty about future funding,

Lee Chapel Primary School would like to thank Nairsey, Fisher & Lewis Basildon for their donation of £400 towards the annual Football and Netball rally competition.

During this period most of the Academy's income is from the Education & Skills Funding Agency (ESFA) in the form of various grants. Some additional grants have been received from the Local Authority. The grants and the associated expenditure are shown as restricted funds in the Statement of Financial Activities (SOFA).

The Academy also received grants from the Local Authority for fixed assets. These grants are shown in the Statement of Financial Activities (SOFA) as restricted income in the fixed asset fund. This fund is reduced annually by the depreciation charges over the expected useful life of the assets concerned.

The Academy raises and receives funds from the children to pay for a wide variety of educational visits and activities and these have been applied against the associated costs. These are shown in the Statement of Financial Activities (SOFA) as unrestricted funds.

The Local Government Pension Scheme which is provided to support staff is a restricted fund and the projected deficits are included within the fund which reduces the reserves shown in the total funds of the Academy.

The Governors have appointed Essex County Council (EES) to complete a programme of internal checks on internal controls and reports have been provided to the chairperson and the head teacher.

# **Lee Chapel Multi Academy Trust**

## **Governors' Report**

### **For the year ended 31 August 2018**

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#### Reserves Policy

The academy aims to carry forward some resources from the restricted GAG fund to cover the medium and long term needs for renewal and replacement of major capital projects and unforeseen contingencies. At the year end the trust held general restricted funds of £521,000 (2017: £212,000 in deficit) and general unrestricted funds of £548,000 (2017: £463,000).

Lee Chapel Primary School and Nursery is carrying a net deficit of £190,000. The school's agreed repayment programme with the ESFA of £500,000 repayable over 4 years started in October 2017 with payments of £10,000 per month which has further reduced by a lump sum of £200,000. This leaves a residual amount for 2018/2019 of £190,000 which the school envisages will be repaid within the financial year.

The unrestricted fund represents funds received for educational activities, breakfast club, tuck and tea time club and their related expenses which are not included within the definition of restricted reserves within SORP.

The Local Government Pension Scheme is included within restricted funds however, it should be noted that the academy has to recognise a significant pension fund deficit. This does not impose an immediate liability and if it had surplus funds then this would still be included within the restricted fund but it would not be an asset which could be realised and subsequently expended.

#### Investment Policy

The trustees of the academy trust are firmly committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk. Governors do not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds.

Local Governors' management of cash flow should ensure that there are always sufficient funds in the main bank account to cover operational costs. Banks must be selected from the FSA Approved List included in the Financial Services Compensation Scheme (FSCS).

Local Governors will seek to ensure that any cash not required for operating expenses is placed on deposit at the most favourable rate. If longer term arrangements were required then alternative investment opportunities would be sought, e.g. Treasury Bonds, long term deposits. However, the providers would be selected from the FCA Approved List included in the Financial Services Compensation Scheme (FSCS).

#### Local Government Pension Scheme

The Academy participates in the Local Government Pension Scheme. At 31 August 2018 the deficit on that scheme was £4,999,000 (2017: £5,408,000). The deficit on the pension scheme was inherited from Essex County Council. From 1<sup>st</sup> April 2017 the Pension fund increased the monthly contribution rate paid based on employees monthly salaries to include the pension deficit.

#### Financial and Risk Management Objectives and Policies

The main financial risk to the academy trust is the cash flows. The governing bodies monitor cash flow to ensure that the academy has sufficient funds available to meet its debts as they fall due. The Governors have assessed the credit risk but as the academy's main income is from the ESFA and Essex County Council they feel that this is not an issue as funds are received when due.

#### **Principal Risks and Uncertainties**

Trustees and Governors have identified the following areas affecting the academy risk and uncertainties at the Academy.

# **Lee Chapel Multi Academy Trust**

## **Governors' Report**

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#### Financial Risk

The academy continues to operate in a period of uncertainty with regard to public funding. The school development plans are followed closely to ensure that a continuing maintenance of the sites are maintained and that staffing is sustainable.

#### Failure in Governance/management

Trustees and governors continue to review and ensure that measures are in place to mitigate this risk.

#### Reputational Risk

The continuing success of the academy trust depends on maintaining high educational standards in order to attract sufficient numbers of outstanding teacher's pupils to the school. Trustees and governors are focused on monitoring and reviewing the achievement and success of the children.

#### Safeguarding and Child Protection risks

Trustees and governors continue to ensure that high standards are maintained in selecting staff. The schools have a child protection policy and provide training and support in order to protect the vulnerable young children in its care.

#### Significant changes in staff

Trustees and Governors have in place a succession planning policy to develop existing staff as well as continue to review and monitor arrangements for any new staff which may be required.

We are an equal opportunity organisation and are committed to a working environment that is free from any form of discrimination on the grounds of colour, race, ethnicity, religion, sex, sexual orientation or disability. We will make reasonable adjustments to meet the needs of staff or pupils who are or become disabled.

#### Risk Management

The trustees and governors are responsible for the management of risks to which the academy trust is exposed and have completed a review of risks associated with its activities. The key controls used within the trust are:

- Formal Agendas for all meetings
- Terms of Reference for the committees
- Development Plan which identifies key strategic planning objectives and the resources required to achieve them.
- Budget planning, monitoring and reviews
- Financial authorisation and approval levels
- Written policies reviewed regularly
- Clear Safeguarding and vetting procedures as required by law to protect the pupils.
- Continuous review of educational achievements to ensure high standards can be achieved
- Succession Planning
- The individual academy expansion will only be considered if the funding is not lagged.

The trustees and governors have reviewed the major risks, focusing on operational, financial, governance, compliance and reputational risk, and are satisfied that steps have been taken to mitigate the risks. The trustees and governors recognise that systems can only provide reasonable assurance that major risks are adequately managed.

The trustees have appointed Essex County Council (EES) to complete the Internal Controls Evaluation and provide assurance to the Trustees and Governors on Financial matters by performing a range of checks on the Academy's Financial Management System (FMS). The visits are completed once a term and provide a report to the Chair of Governors and the head teacher.

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The Internal Controls Evaluation completed a review of the internal controls of all schools and the Trust on 2 occasions in accordance with the Academies Financial Handbook and did not identify any material control issues as a result of the reviews.

There is no credit risk as the amounts generally owed to the academy are due from the local authority.

**Plans for Future Periods**

The academy trust will increase the number of academies within its Trust to 6 by the end of 2018.

The trust will continue to talent spot and train outstanding teachers to take on key roles across the multi academy trust.

The objectives for the next year of the academy at Lee Chapel Primary School & Nursery are

- To maintain the school's 'Outstanding' rating.
- To further improve the school's provision and outcomes for all pupils.
- To further develop the curriculum and maintain the academic opportunities for all learners to succeed
- To continue to invest in provisions for the SEND, gifted and talented pupils
- To further improve the library provision for all pupils
- To maintain the Teaching School status.
- To continue to embed best practice with regards to assessment to learning. (editing, reshaping lessons as a result of assessment, resilience, articulation of targets and learning, Steps to Success, Success Criteria)
- To continue to improve nursery provision and Out of School Hours Learning
- To ensure that standards across all 28 classes are consistent
- To further increase opportunities for Modelling of writing across the curriculum in order to further improve children's writing skills

The objectives for the next year of the Academy at Greensted Junior School are

- To further improve the school's provision and outcomes for pupils.
- To continue to develop a curriculum that maintains the academic opportunities for all learners to succeed
- To continue to invest in provisions for the SEND, gifted and talented pupils

The objectives for the next year of the Academy at The Phoenix Primary School & Nursery are

- To continue to work towards an Ofsted grading of Outstanding.
- To further improve the school's provision and outcomes for pupils.
- To develop the curriculum and maintain the academic opportunities for all learners to succeed
- To continue to invest in provisions for the SEND and the most able pupils
- To further expand the school from two to three forms of entry in order to meet locality 'Basic Needs'. This was agreed from September 2016.
- To push forward plans to become a four form entry school in the future to meet locality 'Basic Needs'.

The objectives for the next year of the Academy at Northlands Primary School & Nursery are to:

- To further improve the outcomes for pupils and in particular to push the more able so that percentages at Greater Depth increase
- To continue to have a focus on writing so that standards improve from Early years throughout the school
- To develop a broader curriculum
- To mentor and coach our middle leaders

**Funds held as Custodian Trustee on behalf of others**

The Academy does not hold any funds as Custodian Trustee.

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**Auditor**

In so far as the governors are aware:

There is no relevant audit information of which the charitable company's auditor is unaware; and  
The governors have taken all steps that they ought to have taken to make them aware of any relevant audit information and to establish that the auditor is aware of that information.

The Multi Academy Trust has reappointed Kingston Smith LLP as auditors.

Approved by order of the members of the Governing Body on 5<sup>th</sup> December 2018

and signed on its behalf by:



**Mr C O'Callaghan**  
**Chair**

# Lee Chapel Multi Academy Trust

## Governance Statement

### For the year ended 31 August 2018

#### Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Lee Chapel Multi Academy Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees has delegated the day-to-day responsibility to the Head teachers, and the CEO as the Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Lee Chapel Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees responsibilities. The board of trustees has formally met 3 times during the year. Attendance during the year at meetings of the governing body was as follows:

<b>Governance</b>		<b>Out of a possible</b>
C O'Callaghan (Chairperson)	3	3
M Betteridge	3	3
D Kavanagh	3	3
S Robson	3	3
J Bird	0	3
A Fiala	2	3
J Randle (formerly Braysher)	1	3
M Jenkins	1	3
M Smith	3	3
P Cleaves Resigned 19/9/18	2	3
J Waylett	0 (ill health)	3
S Jackson (Headteacher Lee Chapel & Accounting Officer)	3	3
EJ Young head teacher Northlands	3	3
K Geary head teacher Phoenix	3	3
T Dennis head teacher Ryedene	2	3
I Hampshire Head Greensted Junior	3	3

Mrs Waylett resigned as chair of the board due to ill health.

#### Review of Value for Money

As accounting officer the CEO has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

Continually amalgamating contracts across the trust.

# **Lee Chapel Multi Academy Trust**

## **Governance Statement**

### **For the year ended 31 August 2018**

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The trust promotes fair competition through quotations and tenders, in accordance with its Financial Regulations to ensure that goods and services are secured in an economic, efficient and effective way. Contracts are reviewed to ensure that they are competitive and meet the schools ongoing requirements.

The trust regularly challenges quotes received and negotiates further reductions when appropriate in order to ensure that Best Value for Money is obtained. Staff are encouraged to obtain best value for money by researching alternative suppliers online for comparative products when spending their budgets. The Head teachers approve all purchase orders and regularly challenge to ensure that we are obtaining best value.

All schools have a procurement framework in place that ensures that formal tender processes are followed or three supplier quotes are obtained according to specified order value limits. The quality of service, contract prices and terms and conditions of the academy's suppliers are regularly reviewed and compared with the open market.

#### **Income Generation**

The academy has explored other opportunities to generate additional funds through Grants.

#### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place at the academy trust for the year ended 31 August 2018 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ending 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

#### **The Risk and Control Framework**

The academy trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the local governing body;
- regular reviews by the local governing body or Finance and Premises Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Essex County Council (EES) to complete the Internal Control Evaluation (ICE) as internal auditor. EES provides assurance to the trustees and governors on financial matters by performing a range of checks on the academy's financial management system (FMS). EES auditor visits twice a year to complete the checks and provides a report



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**Governance Statement**  
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to the local Chair of Governors and head teacher on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

The EES auditor role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included

- Testing of the Payroll systems
- Testing of the purchase systems
- Testing of the control accounts / bank accounts
- Testing of compliance with the scheme of delegation and internal controls

The EES auditor completed a review of the internal controls of the Academy in accordance with the Academies Financial Handbook and did not identify any material control issues as a result of the reviews.

The reports are sent to the Chair of the board, Head teacher and Finance Manager.

**Review of Effectiveness**

As accounting officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the EES auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the academy trust and EES who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the local governing body and plans to address weaknesses and ensure continuous improvement of the system are in place.

Approved by order of the members of the board of trustees on 5<sup>th</sup> December 2018 and signed on its behalf by:

**Signed**



**Mr C O'Callaghan**  
Chairperson

**Signed**



**Mrs S Jackson**  
Accounting officer

**Lee Chapel Multi Academy Trust**  
**Statement on Regularity, Propriety and Compliance**  
**For the year ended 31 August 2018**

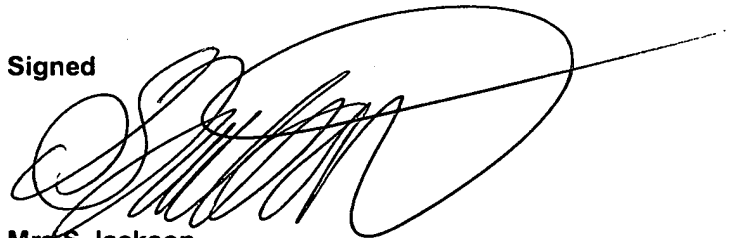
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As accounting officer of Lee Chapel Multi Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.

**Signed**

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

**Mrs S Jackson**  
Accounting officer

**Lee Chapel Multi Academy Trust**  
**Statement of Trustees' Responsibilities**  
**For the year ended 31 August 2018**

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The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform to the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the ESFA/DfE have been applied for the purposes intended.

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 5<sup>th</sup> December 2018 and signed on its behalf by:

**Signed**



**Mr C O'Callaghan**  
**Chair**

# Independent Auditor's Report on the Financial Statements to the Members of Lee Chapel Multi Academy Trust

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## Opinion

We have audited the financial statements of Lee Chapel Multi Academy Trust ('the academy trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, Statement of Cash Flows and the related notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA.

## Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs(UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of financial statements section of our report. We are independent of the academy trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRS's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

## Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# Independent Auditor's Report on the Financial Statements to the Members of Lee Chapel Multi Academy Trust (continued)

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## **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

## **Matters on which we are required to report by exception**

In light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures or trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

## **Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 25, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the academy trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the academy trust or to cease operations, or have no realistic alternative but to do so.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

# Independent Auditor's Report on the Financial Statements to the Members of Lee Chapel Multi Academy Trust (continued)

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As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the academy trust's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including and significant deficiencies in internal control that we identify during our audit.

## Use of this report

This report is made solely to the academy trust's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy trust's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

*Kingston Smith LLP*

Date: *11 March 2018*

**James Cross (Senior Statutory Auditor)**  
for and on behalf of Kingston Smith LLP, Statutory Auditor

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD

# Independent Reporting Accountant's Assurance Report on Regularity to Lee Chapel Multi Academy Trust and the Education and Skills Funding Agency

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In accordance with the terms of our engagement letter dated 25 September 2015 and further to the requirements of the Education Funding and Skills Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018 we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Lee Chapel Multi Academy Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Lee Chapel Multi Academy Trust an ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Lee Chapel Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Lee Chapel Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

## **Respective responsibilities of Lee Chapel Multi Academy Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Lee Chapel Multi Academy Trust's funding agreement with the Secretary of State for Education dated 1 November 2011 and the Academies Financial Handbook, extant from 1 September 2018 for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

## **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Enquiry
- Inspection and review
- Observation and reperformance

Independent Reporting Accountant's Assurance Report on Regularity to  
Lee Chapel Multi Academy Trust and the Education and Skills Funding Agency

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**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2017 to 31 August 2018 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Kingston Smith LLP

**James Cross (Senior Statutory Auditor)**  
for and on behalf of Kingston Smith LLP, Statutory Auditor

Date: 11 December 2018

Devonshire House  
60 Goswell Road  
London  
EC1M 7AD



Lee Chapel Multi Academy Trust

Statement of Financial Activities for the year ended 31 August 2018

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2018 £000	Total 2017 as restated £000
<b>Income and endowments from:</b>						
Donations and capital grants	2	277	243	298	818	1,495
Transfer from Local Authority on conversion		-	-	-	-	8,308
<b>Charitable activities:</b>						
Funding for the academy trust's educational operations	3	-	12,414	499	12,913	10,611
Other trading activities	4	16	315	-	331	297
Investments	5	1	-	-	1	1
<b>Total</b>		<b>294</b>	<b>12,972</b>	<b>797</b>	<b>14,063</b>	<b>20,712</b>
<b>Expenditure on:</b>						
<b>Charitable activities:</b>						
Academy trust educational operations	6, 7	209	12,624	570	13,403	11,713
<b>Total</b>		<b>209</b>	<b>12,624</b>	<b>570</b>	<b>13,403</b>	<b>11,713</b>
<b>Net income / (expenditure)</b>		<b>85</b>	<b>348</b>	<b>227</b>	<b>660</b>	<b>8,999</b>
Transfers between funds	17	-	(452)	452	-	-
<b>Other recognised gains/(losses):</b>						
Actuarial (losses) / gains on defined benefit pension schemes	17, 28	-	1,253	-	1,253	126
<b>Net movement in funds</b>		<b>85</b>	<b>1,149</b>	<b>679</b>	<b>1,913</b>	<b>9,125</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		463	(5,620)	23,912	18,755	9,630
<b>Total funds carried forward</b>		<b>548</b>	<b>(4,471)</b>	<b>24,591</b>	<b>20,668</b>	<b>18,755</b>

All of the academy's activities derive from continuing operations during the above two financial periods.

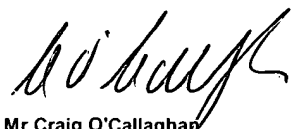
A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The detailed comparative information for the statement of financial activities is included at note 30.

Lee Chapel Multi Academy Trust  
Balance Sheet as at 31 August 2018

	Notes	2018 £000	2018 £000	2017 as restated £000	2017 as restated £000
<b>Fixed assets</b>					
Tangible assets	12		24,591		23,760
<b>Current assets</b>					
Debtors	14	764		435	
Cash at bank and in hand		<u>1,699</u>		<u>1,209</u>	
		2,463		1,644	
<b>Liabilities</b>					
Creditors : Amounts falling due within one year	15	<u>(1,318)</u>		<u>(851)</u>	
<b>Net current assets/(liabilities)</b>			<u>1,145</u>		<u>793</u>
<b>Total assets less current liabilities</b>			<u>25,737</u>		<u>24,553</u>
Creditors: Amounts falling due after more than one year	16		(70)		(390)
<b>Net assets excluding pension liability</b>					
Defined benefit pension scheme liability	28		(4,999)		(5,408)
<b>Total net assets</b>			<u>20,668</u>		<u>18,755</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	17	24,591		23,912	
General fund	17	528		(212)	
Pension reserve	17	<u>(4,999)</u>		<u>(5,408)</u>	
<b>Total restricted funds</b>			<u>20,120</u>		<u>18,292</u>
<b>Unrestricted income funds</b>	17		548		463
<b>Total funds</b>			<u>20,668</u>		<u>18,755</u>

The financial statements on pages 31 to 50 were approved by the trustees, and authorised for issue on 5th December 2018 and are signed on their behalf by:



Mr Craig O'Callaghan

Chair of the Board of Governors

Lee Chapel Multi Academy Trust  
Statement of Cash Flow for the year ended 31 August 2018

	Notes	2018 £000	2017 as restated £000
<b>Cash flows from operating activities</b>			
Net cash provided by/(used in) operating activities	21	1,404	2,167
<b>Cash flows from financing activities</b>	22	(310)	500
<b>Cash flows from investing activities</b>	23	(604)	(1,657)
<b>Change in cash and cash equivalents in the reporting period</b>		<u>490</u>	<u>1,010</u>
<b>Cash and cash equivalents at 1 September 2017</b>		1,209	199
<b>Cash and cash equivalents at 31 August 2018</b>	24	<u>1,699</u>	<u>1,209</u>

## 1 Statement of Accounting Policies

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgements and key sources of estimation uncertainty, is set out below.

### Company information

Lee Chapel Multi Academy Trust is a private company limited by guarantee, domiciled and incorporated in England and Wales. The registered office and principal place of business is The Knares, Basildon, Essex, SS16 5RU.

### Basis of Preparation

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: 'Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102))', the Academies Accounts Direction 2017 to 2018 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

Lee Chapel Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest pound.

### Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

### Income

All incoming resources are recognised when the academy trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

#### • Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

#### • Donations

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

#### • Other Income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

#### • Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and "Income from other trading activities". Upon sale, the value of the stock is charged against "Income from other trading activities" and the proceeds are recognised as "Income from other trading activities". Where it is impractical to fair value the items to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within "Income from other trading activities".

#### • Donated fixed assets

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

## 1 Statement of Accounting Policies (continued)

### Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including the support costs involved in undertaking each activity. Direct costs attributable to a single activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

#### • Expenditure on Raising Funds

This includes all expenditure incurred by the academy trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

#### • Charitable Activities

These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

### Tangible Fixed Assets

Assets costing £1000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

Long leasehold land	125 years
Long leasehold buildings	2%
Fixtures, fittings and equipment	10% - 15%
Computer hardware	20%
Motor Vehicles	15%

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

### Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in the settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods and services it must provide.

### Leased Assets

Rentals under operating leases are charged on a straight line basis over the lease term.

### Financial Instruments

The academy trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term liquid investments with original maturities of three months or less.

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

**1 Statement of Accounting Policies (continued)**

**Taxation**

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

**Employee benefits**

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**Pensions Benefits**

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 28, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

**Fund Accounting**

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the Education and Skills Funding Agency.

**Critical accounting estimates and areas of judgment**

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

*Critical accounting estimates and assumptions*

The academy trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, will impact the carrying amount of the pensions liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Lee Chapel Multi Academy Trust  
Notes to the Financial Statements for the year ended 31 August 2018 (continued)

**2 Donations and capital grants**

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000	Total 2017 £000
Capital Grants	-	298	298	868
Other donations	277	243	520	627
<b>2017/18 Total</b>	<b>277</b>	<b>541</b>	<b>818</b>	<b>1,495</b>
<b>2016/17 Total</b>	<b>278</b>	<b>1,217</b>		<b>1,495</b>

**3 Funding for the Academy Trust's Educational Operations**

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000	Total 2017 £000
<b>DfE / ESFA revenue grants</b>				
General Annual Grant (GAG)	-	9,843	9,843	8,878
Other DfE/ESFA grants	-	1,524	1,524	768
National College grants	-	165	165	228
	-	11,532	11,532	9,874
<b>Other Government grants</b>				
Local authority grants	-	882	882	737
Educational operations restricted fixed assets	-	499	499	-
	-	1,381	1,381	737
<b>2017/18 Total</b>	<b>-</b>	<b>12,913</b>	<b>12,913</b>	<b>10,611</b>
<b>2016/17 Total</b>	<b>-</b>	<b>10,611</b>		<b>10,611</b>

**4 Other trading activities**

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000	Total 2017 £000
Hire of facilities	-	13	13	14
Other generated income	16	72	88	65
Catering income	-	230	230	218
<b>2017/18 Total</b>	<b>16</b>	<b>315</b>	<b>331</b>	<b>297</b>
<b>2016/17 Total</b>	<b>18</b>	<b>279</b>		<b>297</b>

**5 Investment income**

	Unrestricted Funds £000	Restricted Funds £000	Total 2018 £000	Total 2017 £000
Short term deposits	1	-	1	1
<b>2017/18 Total</b>	<b>1</b>	<b>-</b>	<b>1</b>	<b>1</b>
<b>2016/17 Total</b>	<b>1</b>	<b>-</b>		<b>1</b>

Lee Chapel Multi Academy Trust  
Notes to the Financial Statements for the year ended 31 August 2018 (continued)

**6 Expenditure**

	Non Pay Expenditure		Total 2018 £000	Total 2017 as restated £000
	Staff Costs	Premises		
	£000	£000	£000	£000
Academy's educational operations:				
Direct costs	7,761	1,040	9,083	8,922
Allocated support costs	2,175	1,518	4,320	2,791
<b>2017/18 Total</b>	<b>9,936</b>	<b>2,558</b>	<b>13,403</b>	<b>11,713</b>

The 2017 comparative figure (as restated) for direct costs consists of costs allocated to staff costs of £7,350,000 and other costs of £1,572,000. The 2017 comparative figure for allocated support costs consists of costs allocated to staff costs of £1,170,000, to premises costs of £931,000 and to other costs of £690,000.

Net income / (expenditure) for the period includes:

	2018 £000	2017 as restated £000
Depreciation	570	549
Fees payable to auditor for:		
Audit	19	19
Other services	8	8

**7 Charitable Activities**

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total 2018	Total 2017 as restated
	£000	£000	£000	£000	£000
	£000	£000	£000	£000	£000
Direct costs - educational operations	173	8,340	570	9,083	8,922
<b>2017/18 Total</b>	<b>173</b>	<b>8,340</b>	<b>570</b>	<b>9,083</b>	<b>8,922</b>
<b>2016/17 Total (as restated)</b>	<b>213</b>	<b>8,160</b>	<b>549</b>		<b>8,922</b>

**Analysis of support costs**

	Educational operations £000	Total 2018 £000	Total 2017 £000
Support staff costs	2,175	2,175	1,170
Technology costs	12	12	10
Premise costs	1,518	1,518	449
Other support costs	587	587	1,135
Governance costs	28	28	27
<b>Total support costs</b>	<b>4,320</b>	<b>4,320</b>	<b>2,791</b>



## 8 Staff

### a. Staff costs

Staff costs during the period were:	2018 £000	2017 £000
Wages and salaries	7,169	6,866
Social security costs	547	527
Operating costs of defined benefit pension scheme	2,016	1,048
Apprenticeship levy	21	-
	<u>9,753</u>	<u>8,441</u>
Staff training	105	-
Supply staff costs	78	79
	<u>9,936</u>	<u>8,520</u>

### b. Staff numbers

The average number of persons employed by the academy during the period was as follows:

	2018 No.	2017 No.
Teachers	114	97
Administration and support	285	284
Management	21	22
	<u>420</u>	<u>403</u>

The full time equivalent number of persons employed by the academy during the period was as follows:

	2018 No.	2017 No.
Teachers	101	78
Administration and support	165	141
Management	23	63
	<u>289</u>	<u>282</u>

### c. Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2018 No.	2017 No.
£60,001 - £70,000	2	2
£70,001 - £80,000	1	2
£80,001 - £90,000	1	-

### d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,289,000 (2017: £1,151,000).

## 9 Related Party Transactions - Trustees' Remuneration and Expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment.

S L Jackson (headteacher and trustee):

Remuneration	£85,001 - £90,000 (2017: £75,001 - £80,000)
Employer's pension contributions	£10,001 - £15,000 (2017: £10,001 - £15,000)

No governors received reimbursement for expenses (2017: none).

Lee Chapel Multi Academy Trust  
Notes to the Financial Statements for the year ended 31 August 2018 (continued)

**10 Trustees and officers insurance**

In accordance with normal commercial practice the Lee Chapel Primary School, Greensted Junior School, Northlands Primary School, The Phoenix Primary School and Ryedene Primary and Nursery School within the multi academy trust have purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 for each school on any one claim. The Trust has its own insurance for the members and trustees and the cost for the year ended 31 August 2018 was £823 (2017: £nil). The cost of this insurance is included in the total insurance cost.

**11 Disclosure of central services**

The academy trust has provided the following central services to its academies during the year:

- Central governance services
- Administrative services
- Financial services
- Educational support services

Central services have been charged from 1 September 2017 on a basis of 1% on General Annual Grant income and a fixed cost per school.

The actual amounts charged during the year were as follows:

	2018 £000	2017 £000
Lee Chapel Primary School	41	24
Greensted Primary School	22	10
Northlands Primary School	33	20
The Phoenix Primary School	32	16
Ryedene Primary and Nursery School	22	9
	<u>150</u>	<u>79</u>

**12 Tangible fixed assets**

	Leasehold Land and Buildings £000	Assets Under Construction £000	Furniture and Equipment £000	Computer Hardware £000	Total £000
<b>Cost</b>					
At 1 September 2017 (as restated)	24,138	-	621	383	25,142
Additions	872	412	113	44	1,441
Disposals	(40)	-	-	(7)	(47)
At 31 August 2018	<u>24,970</u>	<u>412</u>	<u>734</u>	<u>420</u>	<u>26,536</u>
<b>Depreciation</b>					
At 1 September 2017 (as restated)	848	-	293	241	1,382
Charged in year	407	-	110	53	570
Disposals	-	-	-	(7)	(7)
At 31 August 2018	<u>1,255</u>	<u>-</u>	<u>403</u>	<u>287</u>	<u>1,945</u>
<b>Net book values</b>					
At 31 August 2018	<u>23,715</u>	<u>412</u>	<u>331</u>	<u>133</u>	<u>24,591</u>
At 31 August 2017 (as restated)	<u>23,290</u>	<u>-</u>	<u>328</u>	<u>142</u>	<u>23,760</u>

Leasehold land and buildings includes the following:

125 year lease with Essex County Council from 11 August 2011 for Lee Chapel Primary School, The Knares, Basildon, Essex, SS16 5RU.  
125 year lease with Essex County Council from 14 September 2012 for Greensted Junior School, Kirby Road, Basildon, Essex, SS14 1RX.  
125 year lease with Essex County Council from 06 October 2016 for Ryedene Community Primary School, Ryedene, Basildon, SS16 4SY.  
125 year lease with Essex County Council from 07 November 2016 for Northlands Primary School & Nursery, Winifred Road, Basildon, SS13 3JQ.  
125 year lease with Essex County Council from 06 March 2017 for Phoenix Primary School, Leinster Road, Basildon, SS15 5NQ.

Lee Chapel Multi Academy Trust  
Notes to the Financial Statements for the year ended 31 August 2018 (continued)

<b>13 Financial instruments</b>	<b>2018 £000</b>	<b>2017 £000</b>
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	<u>664</u>	<u>347</u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	<u>1,304</u>	<u>911</u>
<b>14 Debtors</b>	<b>2018 £000</b>	<b>2017 £000</b>
VAT recoverable	260	145
Prepayments and accrued income	<u>504</u>	<u>290</u>
	<u>764</u>	<u>435</u>
<b>15 Creditors: Amounts falling due within one year</b>	<b>2018 £000</b>	<b>2017 £000</b>
Other taxation and social security	59	92
Other creditors	84	116
Accruals and deferred income	1,055	533
Loans from ESFA	<u>120</u>	<u>110</u>
	<u>1,318</u>	<u>851</u>
<b>Deferred income</b>	<b>2018 £000</b>	<b>2017 £000</b>
Deferred income at 1 September 2017	238	67
Resources deferred in the year	84	238
Amounts released from previous years	<u>(238)</u>	<u>(67)</u>
Deferred income at 31 August 2018	<u>84</u>	<u>238</u>
At the balance sheet date the academy trust had received grant income which was due in the 2018/19 accounting year, herefore this income has been deferred.		
<b>16 Creditors: amounts falling due in greater than one year</b>	<b>2018 £000</b>	<b>2017 £000</b>
Loans from ESFA	<u>70</u>	<u>390</u>
	<u>70</u>	<u>390</u>

Lee Chapel Multi Academy Trust  
Notes to the Financial Statements for the year ended 31 August 2018 (continued)

17 Funds	Balance at 1 September 2017 as restated £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2018 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	167	9,843	(8,498)	(1,337)	175
Other DfE grants	-	1,689	(1,689)	157	157
Other grants	(379)	243	(396)	728	196
Local Authority Grant	-	882	(882)	-	-
Pension reserve	(5,408)	-	(844)	1,253	(4,999)
Other Income	-	315	(315)	-	-
	<u>(5,620)</u>	<u>12,972</u>	<u>(12,624)</u>	<u>801</u>	<u>(4,471)</u>
<b>Restricted fixed asset funds</b>					
DfE/ESFA capital grants	7,664	797	(334)	452	8,579
Leased gifts	16,248	-	(236)	-	16,012
	<u>23,912</u>	<u>797</u>	<u>(570)</u>	<u>452</u>	<u>24,591</u>
<b>Total restricted funds</b>	<u>18,292</u>	<u>13,769</u>	<u>(13,194)</u>	<u>1,253</u>	<u>20,120</u>
<b>Total unrestricted funds</b>	<u>463</u>	<u>294</u>	<u>(209)</u>	<u>-</u>	<u>548</u>
<b>Total funds</b>	<u>18,755</u>	<u>14,063</u>	<u>(13,403)</u>	<u>1,253</u>	<u>20,668</u>

The specific purposes for which the funds are to be applied are as follows:

General Annual Grant must be used for the normal running costs of the Academy Trust. Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

Other government grants consist of other grants received from Government and Local Authority including Nursery Funding, Statemented Special Needs, Young People's Learning Agency Grants, National College for Teaching and Leadership School Direct Grant, Universal Infant Free School Meals, which are used for resourcing children and supporting teacher training within the Trust.

The transfer of £992,000 has arisen due to purchase of fixed assets during the year out of the academies General Annual Grant (GAG) funding.

Comparative information (as restated) in respect of the preceeding period is as follows:

	Balance at 1 September 2016 £000	Incoming Resources as restated £000	Resources Expended as restated £000	Gains, Losses and Transfers £000	Balance at 31 August 2017 as restated £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	48	8,878	(6,949)	(1,810)	167
Other DfE grants	-	1,505	(1,505)	-	-
Other grants	623	628	(1,819)	189	(379)
Transfer on conversion	-	(3,225)	3,225	-	-
Teaching Schools Grant	-	228	(228)	-	-
Pension reserve	(1,888)	-	(3,646)	126	(5,408)
	<u>(1,217)</u>	<u>8,014</u>	<u>(10,922)</u>	<u>(1,495)</u>	<u>(5,620)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	-	10,980	(172)	(10,808)	-
DfE/ESFA capital grants	5,971	868	(313)	1,138	7,664
Leased gifts	4,834	-	(64)	11,478	16,248
	<u>10,805</u>	<u>11,848</u>	<u>(549)</u>	<u>1,808</u>	<u>23,912</u>
<b>Total restricted funds</b>	<u>9,588</u>	<u>19,862</u>	<u>(11,471)</u>	<u>313</u>	<u>18,292</u>
<b>Total unrestricted funds</b>	<u>42</u>	<u>850</u>	<u>(242)</u>	<u>(187)</u>	<u>463</u>
<b>Total funds</b>	<u>9,630</u>	<u>20,712</u>	<u>(11,713)</u>	<u>126</u>	<u>18,755</u>

Lee Chapel Multi Academy Trust  
Notes to the Financial Statements for the year ended 31 August 2018 (continued)

17 Funds (continued)

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £000	Incoming Resources as restated £000	Resources Expended as restated £000	Gains, Losses and Transfers £000	Balance at 31 August 2018 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	48	18,721	(15,447)	(3,147)	175
Other DfE grants	-	3,194	(3,194)	157	157
Other grants	623	871	(2,215)	917	196
Transfer on conversion	-	(3,225)	3,225	-	-
Teaching Schools Grant	-	228	(228)	-	-
Local Authority Grant	-	882	(882)	-	-
Pension reserve	(1,888)	-	(4,490)	1,379	(4,999)
Other Income	-	315	(315)	-	-
	<u>(1,217)</u>	<u>20,986</u>	<u>(23,546)</u>	<u>(694)</u>	<u>(4,471)</u>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	-	10,980	(172)	(10,808)	-
DfE/ESFA capital grants	5,971	1,665	(647)	1,590	8,579
Other funding	4,834	-	(300)	11,478	16,012
	<u>10,805</u>	<u>12,645</u>	<u>(1,119)</u>	<u>2,260</u>	<u>24,591</u>
<b>Total restricted funds</b>	<u>9,588</u>	<u>33,631</u>	<u>(24,665)</u>	<u>1,566</u>	<u>20,120</u>
<b>Total unrestricted funds</b>	<u>42</u>	<u>1,144</u>	<u>(451)</u>	<u>(187)</u>	<u>548</u>
<b>Total funds</b>	<u>9,630</u>	<u>34,775</u>	<u>(25,116)</u>	<u>1,379</u>	<u>20,668</u>

**Total funds analysis by academy**

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £000	Total 2017 as restated £000
Lee Chapel Primary School and Nursery	152	(433)
Greensted Junior School	200	138
Northlands Primary School and Nursery	288	270
The Phoenix Primary School and Nursery	349	188
Ryedene Primary School and Nursery	84	88
Multi Academy Trust	3	-
Total before fixed assets and pension reserve	1,076	251
Restricted fixed asset fund	24,591	23,912
Pension reserve	(4,999)	(5,408)
Total	<u>20,668</u>	<u>18,755</u>

**Total cost analysis by academy**

Expenditure incurred by each academy during the year was as follows:

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding depreciation) £000	2018 Total £000	2017 Total £000
Lee Chapel Primary School	2,684	690	99	782	4,255	3,484
Greensted Junior School	727	223	51	520	1,521	1,289
Northlands Primary School and Nursery	1,877	509	47	365	2,798	2,851
The Phoenix Primary School and Nursery	1,621	554	87	234	2,496	2,329
Ryedene Primary School and Nursery	769	199	59	590	1,617	1,184
Multi Academy Trust	83	-	-	63	146	209
<b>Multi Academy Trust</b>	<u>7,761</u>	<u>2,175</u>	<u>343</u>	<u>2,554</u>	<u>12,833</u>	<u>11,346</u>

Lee Chapel Multi Academy Trust  
Notes to the Financial Statements for the year ended 31 August 2018 (continued)

**18 Analysis of net assets between Funds**

Fund balances at 31 August 2018 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	24,591	24,591
Current assets	548	1,915	-	2,463
Current liabilities	-	(1,318)	-	(1,318)
Non-current liabilities	-	(70)	-	(70)
Pension scheme liability	-	(4,999)	-	(4,999)
<b>Total net assets</b>	<b>548</b>	<b>(4,472)</b>	<b>24,591</b>	<b>20,668</b>

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Intangible fixed assets	-	-	-	-
Tangible fixed assets	-	-	23,760	23,760
Current assets	463	1,029	152	1,644
Current liabilities	-	(851)	-	(851)
Non-current liabilities	-	(390)	-	(390)
Pension scheme liability	-	(5,408)	-	(5,408)
<b>Total net assets</b>	<b>463</b>	<b>(5,620)</b>	<b>23,912</b>	<b>18,755</b>

**19 Capital Commitments**

	2018 £000	2017 £000
Contracted for, but not provided in the financial statements	581	666

**20 Commitments under operating leases**

**Operating Leases**

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £000	2017 £000
<b>Other</b>		
Amounts due within one year	30	11
Amounts due between two and five years	52	24
	<b>82</b>	<b>35</b>

**21 Reconciliation of Net Income/(expenditure) to Net Cash Inflow from Operating Activities**

	2018 £000	2017 as restated £000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	660	8,999
Adjusted for:		
Depreciation	570	549
Capital grants from DfE/ESFA and other capital income	(797)	(868)
FRS 17 pension cost less contributions payable	844	421
Non-cash transferred on conversion to an academy trust	-	(7,755)
Interest receivable	(1)	(1)
(Increase)/decrease in debtors	(329)	413
Increase/(decrease) in creditors	457	409
<b>Net Cash provided by / (used in) Operating Activities</b>	<b>1,404</b>	<b>2,167</b>

Lee Chapel Multi Academy Trust

Notes to the Financial Statements for the year ended 31 August 2018 (continued)

<b>22</b>	<b>Cash flows from financing activities</b>	<b>2018</b>	<b>2017</b>
		<b>£000</b>	<b>£000</b>
	Repayments of borrowing	(310)	-
	Cash inflows from new borrowing	-	500
	<b>Net cash provided by / (used in) financing activities</b>	<b>(310)</b>	<b>500</b>
<b>23</b>	<b>Cash flows from investing activities</b>	<b>2018</b>	<b>2017</b>
		<b>£000</b>	<b>£000</b>
	Dividends, interest and rents from investments	1	1
	Proceeds from sale of tangible fixed assets	39	-
	Purchase of tangible fixed assets	(1,441)	(2,526)
	Capital grants from DfE Group	797	868
	<b>Net Cash provided by / (used in) investing Activities</b>	<b>(604)</b>	<b>(1,657)</b>
<b>24</b>	<b>Analysis of cash and cash equivalents</b>	<b>2018</b>	<b>2017</b>
		<b>£000</b>	<b>£000</b>
	Cash in hand and at bank	1,699	1,209
	<b>Total cash and cash equivalents</b>	<b>1,699</b>	<b>1,209</b>

## 28 Pension and Similar Obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Essex County Council. Both are multi-employer defined-benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £68,000 were payable to the schemes at 31 August 2018 (2017: £88,000) and are included within creditors.

### Teachers' Pension Scheme

#### Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations (2010) and, from 1 April 2014, by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – these contributions along with those made by employers are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

#### Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effect date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million.
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.
- the assumed real rate of return of 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed normal rate of return is 5.06%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £614,000 (2017: £576,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Under the definitions set out in FRS 102, the TPS is an unfunded multi-employer pension scheme. The academy trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy trust has set out above the information available on the scheme.

#### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £726,000 (2017: £624,000), of which employer's contributions totalled £561,000 (2017: £475,000) and employees' contributions totalled £165,000 (2017: £149,000). The agreed contribution rates for future years are 17.9% per cent for employers and 6.5% per cent for employees.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy closure, outstanding Local Government Pension Scheme Liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.



Lee Chapel Multi Academy Trust  
Notes to the Financial Statements for the year ended 31 August 2018 (continued)

28 Pension and Similar Obligations (continued)

Principal Actuarial Assumptions	At 31 August 2018	At 31 August 2017
Rate of increase in salaries	3.80%	4.20%
Rate of increase for pensions in payment/inflation	2.30%	2.70%
Discount rate for scheme liabilities	2.65%	2.60%
Inflation assumption (CPI)	2.30%	2.70%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement age 65 are:

	At 31 August 2018	At 31 August 2017
<i>Retiring today</i>		
Males	22.30	22.20
Females	24.80	24.70
<i>Retiring in 20 years</i>		
Males	24.50	24.30
Females	27.10	27.00

Sensitivity analysis	At 31 August 2018 £000	At 31 August 2017 £000
Adjustment to discount rate +0.1%	9,034	8,565
Adjustment to discount rate -0.1%	9,500	9,008
Adjustment to long term salary increase +0.1%	9,291	8,823
Adjustment to long term salary increase -0.1%	9,238	8,747
Adjustment to pension increases and deferred revaluation +0.1%	9,475	8,971
Adjustment to pension increases and deferred revaluation -0.1%	9,058	8,604
Adjustments to life expectancy assumptions +0.1%	9,567	9,070
Adjustments to life expectancy assumptions -0.1%	8,972	8,509

The academy's share of the assets in the scheme were:	Fair value 2018 £000	Fair value 2017 £000
Equity instruments	2,717	2,199
Gilts	228	211
Corporate bonds	249	131
Property	380	328
Cash and other liquid assets	145	365
Alternative assets	383	-
Other	163	143
<b>Total market value of assets</b>	<b>4,265</b>	<b>3,377</b>

The actual return on scheme assets was £134,000 (2017: £347,000).

Lee Chapel Multi Academy Trust  
Notes to the Financial Statements for the year ended 31 August 2018 (continued)

28 Pension and Similar Obligations (continued)

	2018 £000	2017 £000
<b>Amounts recognised in the statement of financial activities</b>		
Current service cost	(1,271)	(1,136)
Interest income	96	60
Interest cost	(230)	(167)
Total amount recognised in the SOFA	<u>(1,405)</u>	<u>(1,243)</u>

**Changes in the fair value of defined benefit obligations were as follows:**

	2018 £000	2017 £000
<b>At 1 September</b>	<b>8,785</b>	<b>2,848</b>
Conversion of academy trusts	-	4,809
Current service cost	1,271	1,136
Interest cost	230	167
Employee contributions	165	149
Actuarial (gain)/loss	(1,119)	(185)
Benefits paid	(68)	(139)
<b>At 31 August</b>	<b><u>9,264</u></b>	<b><u>8,785</u></b>

**Changes in the fair value of Academy's share of scheme assets:**

	2018 £000	2017 £000
<b>At 1 September</b>	<b>3,377</b>	<b>960</b>
Conversion of academy trusts	-	1,584
Return on assets less interest	-	347
Interest income	96	60
Actuarial gain/(loss)	134	(59)
Employer contributions	561	475
Employee contributions	165	149
Benefits paid	(68)	(139)
<b>At 31 August</b>	<b><u>4,265</u></b>	<b><u>3,377</u></b>

Lee Chapel Multi Academy Trust  
Notes to the Financial Statements for the year ended 31 August 2018 (continued)

**29 Related Party Transactions**

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9.

**30 Comparative Statement of Financial Activities**

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2017 £000
<b>Income and endowments from:</b>				
Donations and capital grants	278	349	868	1,495
Transfer from Local Authority on conversion	553	(3,225)	10,980	8,308
Charitable activities:				
Funding for the academy trust's	-	10,611	-	10,611
Provision of boarding activities	-	-	-	-
Other trading activities	18	279	-	297
Investments	1	-	-	1
<b>Total</b>	<b>850</b>	<b>8,014</b>	<b>11,848</b>	<b>20,712</b>
<b>Expenditure on:</b>				
Raising funds	-	-	-	-
Charitable activities:				
Academy trust educational operations	242	10,922	549	11,713
Other	-	-	-	-
<b>Total</b>	<b>242</b>	<b>10,922</b>	<b>549</b>	<b>11,713</b>
<b>Net income / (expenditure)</b>	<b>608</b>	<b>(2,908)</b>	<b>11,299</b>	<b>8,999</b>
Transfers between funds	(187)	(1,621)	1,808	-
<b>Other recognised gains/(losses):</b>				
Actuarial (losses) / gains on defined benefit pension schemes	-	126	-	126
<b>Net movement in funds</b>	<b>421</b>	<b>(4,403)</b>	<b>13,107</b>	<b>9,125</b>
<b>Reconciliation of funds</b>				
Total funds brought forward	42	(1,217)	10,805	9,630
<b>Total funds carried forward</b>	<b>463</b>	<b>(5,620)</b>	<b>23,912</b>	<b>18,755</b>

**31 Restatement of Comparative Figures**

Following receipt of the land and building valuations as provided by the ESFA in respect of the year ended 31 August 2017, it has been necessary to restate the prior year figures. Land and building transferred into the multi academy trust in respect of Northlands Primary School and Nursery, The Phoenix Primary School and Nursery and Ryedene Primary School and Nursery has been revalued at the value provided by the ESFA.

The effect of the restatement was to reduce the cost and accumulated depreciation of tangible fixed assets by £10,630,000 and reduce the restricted fixed asset reserves at 31 August 2017 by £10,630,000.