

Company Registration No. 08225755 (England and Wales)

**THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED
(A COMPANY LIMITED BY GUARANTEE)**

**GOVERNORS' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2016**

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THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

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THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Governors

Dr S Whitson (Chair)
Mr N Bates (Vice chair) (Resigned 5 May 2016)
Mr R Atkinson (Foundation governor) (Resigned 20 January 2016)
Mr D Roper (Parent governor) (Resigned 15 April 2016)
Mr R Firth (Appointed governor)
Mr J Robertshaw (Appointed governor)
Mr P Lloyd (Local authority governor)
Mrs V Atkinson (Parent governor)
Mrs F Millington (Vice chair)
Mr B Coulson (Staff governor)
Mr A Smith (Staff governor)
Mrs W Moffat (Head Teacher)
Mr J Lees (Staff governor)
Dr A Zaman (Parent governor)
Mr R Backhouse (Parent governor)
Mrs Y Ahmed (Appointed governor) (Appointed 21 March 2016)
Mr N Smith (Appointed governor) (Appointed 21 March 2016)
Mr A Poolan (Appointed governor) (Appointed 21 March 2016)
Mrs A Crossley (Foundation governor) (Appointed 6 May 2016)
Mr M Jackson (Parent governor) (Appointed 1 May 2016)

The Governors who resigned during the year did so because they had completed their term of office.

Members

Dr S Whitson
Mr B Crossley
Mr R Atkinson
Mr D Roper
Mr N Bates

Senior leadership team

- Head teacher
- Deputy Head teacher
- Acting Senior Deputy Head Teacher
- Acting Deputy Head Teacher
- Acting Deputy Head Teacher
- Assistant Head Teacher
- Assistant Head Teacher (temp)
- Assistant Head Teacher (temp)
- Executive Leader
- Finance Director

Mrs W Moffat
Mr J Brownlie (seconded to Park Lane Learning Trust)
Mrs P Doig
Mr B Coulson
Mr S Boyle
Mr S Donlan
Mr G Hirst
Mr J Davies
Mrs D Parkinson
Mrs C Boardman

Company secretary

Schofield Sweeney

Company registration number

08225755 (England and Wales)

Registered office

Savile Park
Halifax
HX3 0HG

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

REFERENCE AND ADMINISTRATIVE DETAILS

Independent auditor	Simpson Wood Limited Bank Chambers Market Street Huddersfield HD1 2EW
Bankers	Yorkshire Bank 7 Waterhouse Street Halifax HX1 1XZ
Solicitors	Schofield Sweeney Church Bank House Church Bank Bradford West Yorkshire BD1 4DY

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

GOVERNORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The governors present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Academy Trust operates an academy for students aged 11-18. As a grammar school, admission into Year 7 is by selection through an entrance examination.

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 charitable company is known as The Crossley Heath School.

The governors are the trustees of The Crossley Heath School Academy Trust Limited and are also the directors of the charitable company for the purposes of company law. Details of the governors who served during the year are included in the Reference and Administrative Details on page 1.

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' indemnities

Subject to the provisions of the Companies Act 2006, every governor or other officer or auditor of the Academy shall be indemnified out of the assets of the Academy against any liability incurred by them in that capacity in defending any proceedings whether civil or criminal, in which judgement is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Academy.

In accordance with normal commercial practice the Academy has purchased insurance to protect all governors and officers from claims arising from negligent acts, errors or omissions whilst on Academy business. The insurance provides up to £1,000,000 on any one claim.

Method of recruitment and appointment or election of governors

The management of the Academy is the responsibility of the Academy Trust trustees who are elected and coopted under the terms of the Articles of Association. The term of office for any trustee shall be four years, save that this time limit shall not apply to the Head Teacher who is entitled to be a trustee for as long as he/she is Head Teacher. Subject to remaining eligible to be a particular type of trustee, any trustee may be re-appointed or re-elected for a maximum of 2 terms (8 years). The position of Chair of Governors can be held for a period of up to 6 years following annual re-election. Trustee vacancies are advertised locally and detail the skills required at that time. Parent trustees are elected by parents, staff trustees are elected by the staff of the school, foundation trustees are appointed by the foundation trust board and appointed trustees are appointed by the members (interviews are held for these positions).

Policies and procedures adopted for the induction and training of governors

Induction is by means of a meeting with the Clerk to Governors, the Chair of Governors and the Governor with responsibility for training and the Head Teacher. An Induction Pack containing key documentation necessary to undertake the role of governor is provided and new governors are given the opportunity of a tour of the Academy. Induction training is made available on educational, legal and financial matters through courses provided by One Governor Calderdale. Ongoing training is provided each year for all governors through One Governor Calderdale and governors attend an annual governor day in the Academy which includes an element of training. In-house training is provided at twilight sessions and governors have the opportunity to attend INSET days where appropriate.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Organisational structure

The management structure consists of the members, the trustees, and the senior leadership team. The Head Teacher of the Academy is the Accounting Officer. The senior leadership team (SLT) is responsible for delivering the strategic actions of the School Improvement Plan (SIP) approved by the Governing Body. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The trustees are responsible for setting general policy, adopting the School Improvement Plan (which is reviewed on a termly basis) and budget, monitoring the budget and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments. The senior leadership team lead and manage the Academy at a day to day level, implementing the policies laid down by the trustees and reporting back to them. The Academy is divided into Year Groups each led by an Achievement Leader. There are also Key Stages Leaders who are responsible for the attainment, achievement and pastoral welfare of students within each Year Group.

Arrangements for setting pay and remuneration of key management personnel

Pay and remuneration is determined in line with the school's Pay Policy which is reviewed on an annual basis. The pay ranges for the Head Teacher, Deputy Head Teacher(s) and Assistant Head Teacher(s) are determined in accordance with the criteria specified in the STPCD and ensure fair pay relativities. Non-teaching management personnel are paid at an appropriate level within the APT&C pay scales.

Related parties and other connected charities and organisations

The Academy purchases services from the Local Authority, Calderdale MBC, under normal business arrangements. The Academy is part of Campus Calderdale (a partnership of all the providers of learning for those aged 14-19 in the Local Authority) and the Calderdale Association of Head Teachers (CASH). The Academy has developed a Post 16 strategic alliance with Calderdale College to provide alternative pathways for students from both institutions. As a member of the Grammar School Heads' Association the Academy has developed links with grammar schools. The Academy leads the MOSAIC School Direct partnership for the delivery of initial teacher training. Partners include Ryburn Valley High School, Sowerby Bridge High School, Ravenscliffe High School, North Halifax Grammar School and The Brooksbank School. The HE providers are Leeds University and Leeds Metropolitan University. The Academy provides formal support to a neighbouring secondary school with the Academy Head Teacher in place as Executive Head Teacher.

Objectives and activities

Objects and aims

The principal object and activity of charitable company is the operation of the Crossley Heath School, as a selective grammar school, providing education for students between the ages of 11 and 18. The aim of the Academy is to provide all students with an educational experience which allows them to achieve their potential in a supporting yet challenging environment. Opportunities for personal development are wide-ranging and allow students to grow in confidence and develop their leadership skills. Aspirations are high and the Academy strives to maintain an ethos where all students are encouraged to aim high and develop their talents. The Academy provides a personalised curriculum for all students to enable them to develop academic, cultural and sporting interests, an appreciation of global issues and the capacity to contribute to the development of society.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Objectives, strategies and activities

The Academy's main objective is to raise standards of achievement and progress through a focus on continuous improvement in all aspects of the organisation. The core purpose of the Academy is teaching and learning. Staff and resources are continuously measured by their contribution to the overall quality of teaching and learning and therefore the standards achieved by students.

The current School Improvement Plan (SIP) runs from 2014-2017. The priority areas are listed below with examples of progress at the end of Year 2 of the plan (2015-16). The SIP is reviewed termly by trustees.

Teaching and Learning

Effective teaching and learning

94% lessons judged good or better with 45% outstanding

Strategies for effective student learning

Opportunities for independent learning

Peer mentoring

Revision sessions and intervention support

Meeting the needs of the individual student

Early identification of students who might underachieve and support put in place

Meetings held with parents of students on the SEND register

Individual Learning Plans used to create teacher lists of teaching and learning strategies for individual students

Differentiation in lesson planning

Assessment and feedback

New feedback and departmental policy statements from September 2015

Key Stage 3 work scrutiny in June 2016

Monitoring the quality of teaching and learning

Area reviews of departments undertaken by members of the SLT

Teaching and Learning Self Evaluation Forms completed by each department and quality controlled by SLT

Curriculum

Assessing progress at KS3

New assessment grades introduced in Years 7 & 8 from September 2015

Responding to the New Curriculum

Curriculum developed for students in Years 7-8 which provides the best possible breadth of subjects whilst also developing the skills required to prepare them for GCSEs

Preparing for the new GCSE and A levels

Department assessments provide appropriate preparation for the new examinations

Each department has a plan in place to manage the new examinations

Time allocations for subjects reviewed across Years 12 and 13 to provide an appropriate structure for A levels

Data and Target Setting

Simplified systems in place

Sisra Analytics software package is used by all pastoral staff and middle leaders to identify where intervention is required and spot trends for vulnerable groups

Careers and Work-related learning

98% of students in Y11 participated in the work experience programme

Progression module includes a module linking directly to UCAS elements

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Student Support and Guidance

Behaviour and Safety

Emotional well-being of all students in school recognised and support systems developed

Successful bids for 'Peer Mentoring' and 'Parental Awareness' work

Students' awareness raised of e-safety and the PREVENT agenda

Climate for learning

Leadership opportunities for students

All students in Year 12 engaged in the wide range of enrichment opportunities

Successful induction programme for students new to Year 7 and Year 12

Attendance

High attendance and punctuality figures (above national average)

Systematic approach to maintaining attendance below school target and persistent absentees

Personnel and Staff Well-Being

Staff development

New online package for undertaking staff appraisals working effectively

CPD programme developed and implemented for teaching and support staff

Staff recruitment and induction

Safer recruitment practices followed. All staff and governors undertake on-line safeguarding training

Effective induction programme in place for new staff

ITT students continue to be recruited under MOSAIC programme and successfully complete their courses

Exit interviews conducted and feedback considered

Staff well-being

Health and well-being plan developed with staff

VLE page for Health and Well Being

Partnerships and Collaboration

Extensive links with Park Lane Learning Trust

Collaboration with Calderdale College and Calderdale Music Hub

Subject network links

Finance, Premises and Resources

Catering

Kitchen and dining facilities have been refurbished

Cashless catering embedded. Significant increase in takings

Cashless school embedded for all school-related events, trips and resources with a new online school shop

New eating area created for the 6th form students.

Building

Post 16 Centre opened to students November 2015 enabling the school to increase intake at Post 16 September 2015

Successful Capital Funding bid for boiler replacement and fire alarm/building upgrade.

Classroom refurbishment plan in operation from summer 2016

Significant upgrade of ventilation system within the food technology department

Income generation from facilities

Company employed to manage lettings which has increased uptake

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Public benefit

The Academy Trust trustees have considered the Charity Commission's guidance on public benefit and in particular its supplementary benefit guidance on advancing education. The key public benefit delivered by the Academy is the provision of high quality education to its students. During the period under review the Academy had 1116 students on roll.

The Crossley Heath School provides education to young people aged 11 to 18 that:

- is broad and balanced with equality of opportunity for all students
- recognises the individual needs and talents of each student
- includes the study of English, Mathematics, Science, ICT and Languages for all students from 11-16
- includes the teaching of RE to an agreed syllabus
- promotes the personal, spiritual, moral, social, cultural, intellectual and physical development of students at the Academy
- provides a full range of extra-curricular activities
- encourages students to become independent learners
- prepares students for the world of work and active citizenship

The Crossley Heath School is a co-educational selective school serving the whole of Calderdale and beyond. It is compliant with the current statutory arrangements laid down in the national Schools Admissions Code.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Strategic report

Achievements and performance

Attendance

An important requirement for academies is to ensure student attendance. In 2015-16 attendance was 99.1%.

Key performance indicators

The Academy considers its main performance indicators to be pupil attendance rates and the examination results achieved. These are shown in detail in the Academic Achievement section below. The financial performance of the Academy for the period under review is detailed in the Financial Review section below. The key financial performance indicator is to avoid a deficit budget which will evidence the effectiveness of the budget control procedures that are in place.

Academic Achievement

As well as performing against the objectives in the Academy Improvement Plan the school is responsible for the academic attainment of students particularly at Year 11 (GCSE) and Year 13 (A level). The results for 2016 are included below.

GCSE	
Number of students in Year 11	154
% 5 or more A*-C (including English and Maths)	98
% A*/A	60
Percentage of students making expected progress in English	95.4
Percentage of students making 4+ levels progress in English	66.2
Percentage of students making expected progress in Mathematics	95.4
Percentage of students making 4+ levels progress in Mathematics	73
A level	
Number of students	130
% Pass rate	98.6
% A*/A	32
% A*-B (excluding General Studies)	61
The majority of students gained university places at their first choice university, including 3 students at Oxbridge. Other students either gained employment, apprenticeships, college places, took a gap year or are returning to re-sit A levels.	

Going concern

After making appropriate enquiries the board of trustees has 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 can be found in the Statement of Accounting Policies.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Financial review

These financial statements reflect the operational activity for the Academy for the year ending 31 August 2016. Most of the Academy's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the 12 months ended 31 August 2016 and the associated expenditure are shown as Restricted General Funds in the Statement of Financial Activity (SOFA). The Academy also receives grants for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the SOFA as restricted income in the Restricted Fixed Asset Fund. The Restricted Fixed Asset Fund is reduced by annual depreciation charges over the expected useful life of the assets concerned.

During the period under review the Academy received income of £7,005,524. Of this sum 67% was received from the EFA in respect of its General Annual Grant, used for its day to day running costs. A capital grant has also been received of £1,110,349. During the period ended 31 August 2016, the excess expenditure over income was £206,212.

At 31 August 2016 the net book value of fixed assets was £1,342,575 as shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to students of the Academy.

The non-teaching staff of the Academy are entitled to membership of the West Yorkshire Pension Fund. The Academy's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme, and consequently the Academy balance sheet shows a net liability of £1,853,000. The liability inherited on conversion was £405,000.

Reserves policy

The trustees review the reserve levels of the Academy annually as part of its medium term budget planning. The Academy's free reserves are its funds after excluding Restricted Funds. Free reserves are therefore the resources the Academy has or can make available to spend for any or all of the Academy's purposes once it has met its commitments and covered any other planned expenditure. More specifically free reserves represent income to the Academy which is to be spent at the trustees' discretion in furtherance of any of the Academy's objectives but which is not yet spent, committed or designated.

The trustees are aware of the need to build or maintain a level of free reserves to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. However, the ongoing reductions in Government funding are resulting in a reduction in free reserves in the short to medium term.

The Academy's current level of free reserves, being Unrestricted Funds less Designated Funds is £343,392.

The Academy's current level of Restricted General Funds, excluding the Pension Reserve, is £312,292.

The Academy Trust's main purpose is to provide a successful secondary education to its students. The level of reserves has been judged to be appropriate to ensure that key equipment and facilities are maintained to the highest level of access and use in order to achieve these goals.

The Academy inherited a pension liability of £405,000 on conversion on 1 January 2013. The Pension reserve is showing a deficit of £1,853,000 at 31 August 2016. An additional contribution of £15,800 was made towards the deficit during this period.

The Academy's cash balances at 31 August 2016 were £1,188,867.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

GOVERNORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Investment policy and powers

The Academy seeks to maximise returns from its investments, minimise risk and maintain flexibility and access to funds.

Principal risks and uncertainties

The governors have assessed the major risks to which the Academy is exposed, in particular those relating specifically to teaching, provision of facilities and other operational areas of the Academy and its finances. The governors are satisfied that systems and procedures are in place to mitigate the exposure to major risks. A Risk Management Plan and Risk Register are in place.

The Academy holds a Risk Register that is reviewed regularly by the Business Committee.

The main source of funding for the Academy is the Government grant through the EFA which is dependent upon maintaining student numbers. The Academy is over-subscribed at entry in Year 7 and main school numbers are sustained year on year. Therefore this component is considered to be low risk, provided the school maintains its current academic and pastoral standards. The primary risk arises from changes in Government educational and funding policies.

Financial and risk management objectives and policies

As an Academy funded directly by the EFA, funding streams are considered to be reasonably safe and secure. The risk mainly arises from changes in Government policy and funding levels.

Plans for future periods

The Academy will continue to strive to improve the levels of performance of all its students and ensure that they are properly prepared to continue to their next stage of education or training.

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 themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

A resolution proposing that Simpson Wood Limited be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the Governing Body, as the company directors, on 6 December 2016 and signed on its behalf by:



Dr S Whitson
Chair

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

Scope of responsibility

As governors we acknowledge we have overall responsibility for ensuring that The Crossley Heath School Academy Trust Limited 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 Governing Body has delegated the day-to-day responsibility to the Head Teacher, as 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 The Crossley Heath School Academy Trust Limited and the Secretary of State for Education. She is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' Report and in the Statement of Governors' Responsibilities. The Governing Body has formally met six times during the year. Attendance during the year at meetings of the Governing Body was as follows:

Governors	Meetings attended	Out of possible
Dr S Whitson (Chair)	6	6
Mr N Bates (Vice chair) (Resigned 5 May 2016)	5	5
Mr R Atkinson (Foundation governor) (Resigned 20 January 2016)	4	4
Mr D Roper (Parent governor) (Resigned 15 April 2016)	5	5
Mr R Firth (Appointed governor)	6	6
Mr J Robertshaw (Appointed governor)	6	6
Mr P Lloyd (Local authority governor)	4	6
Mrs V Atkinson (Parent governor)	5	6
Mrs F Millington (Vice chair)	6	6
Mr B Coulson (Staff governor)	6	6
Mr A Smith (Staff governor)	5	6
Mrs W Moffat (Head Teacher)	6	6
Mr J Lees (Staff governor)	6	6
Dr A Zaman (Parent governor)	4	6
Mr R Backhouse (Parent governor)	3	6
Mrs Y Ahmed (Appointed governor) (Appointed 21 March 2016)	2	2
Mr N Smith (Appointed governor) (Appointed 21 March 2016)	2	2
Mr A Poolan (Appointed governor) (Appointed 21 March 2016)	1	2
Mrs A Crossley (Foundation governor) (Appointed 6 May 2016)	1	1
Mr M Jackson (Parent governor) (Appointed 1 May 2016)	1	1

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

From September 2015 the numbers in each category of governor were changed to:

8 appointed ; 4 parent ; 3 staff ; 1 foundation and the Head Teacher. Numbers remained at 17. Several long-standing governors' terms of office ended during the year reported on: Health and Safety governor in December 2015, Vice Chair in May 2016 and Chair of Business Committee in April 2016. During the year 5 new governors were appointed. Governors now serve a maximum of 2 terms of office (8 years). Chairs now serve a maximum of 6 years on re-election.

A challenge for all schools over the past year has been to find ways to minimise the impact of stagnated school funding whilst maintaining outstanding outcomes for students. Sixth form funding levels also create an additional challenge in terms of the viability of an efficient provision in the future. The school is heavily oversubscribed and the decision was made to increase the pupil admission number (PAN) by 30 in Year 7 from September 2015 to address demand and attract additional funding.

A review of governance took place at the annual governor day in March 2016 when governors debated 5 statements defining outstanding governance. Governors were confident that they had maintained the standard achieved to attain the Governor Mark in April 2015. Each committee is prefaced by the relevant core governing body functions. Governors also met individually with the Chair of Governors in the Autumn term to discuss their personal input to the board over the previous year and have the opportunity to raise any general issues. The Chair of Governors completed the NCTL Chair of Governors Leadership Development Programme and was successfully designated a National Leader of Governance (NLG). The Clerk has successfully completed the NCTL Clerks Development Programme.

At the time of the review the board comprised of long-serving, experienced governors. The 5 governors who joined last year have attended training and will continue to be supported by more experienced governors to develop their skills in governance and knowledge of the workings of the school. The recruitment and induction process for governors has been strengthened.

The next full governance review will take place in the Summer of 2017.

The Business Committee is a sub-committee of the main Governing Body. Its purpose is to have financial control and overview of the accounts and auditing processes including insurances, catering and legal matters. The Committee also oversees the buildings, capital and revenue as well as services, repairs and Academy assets. There were 4 meetings held during the period reported on.

Mr D Roper was the chair of the Business Committee until April 2016. Mrs V Atkinson is the current Chair. Mr J Robertshaw was Vice-Chair until November 2016. Mr M Jackson is the current Vice-Chair.

Attendance at meetings of the Business Committee in the year was as follows:

Governors	Meetings attended	Out of possible
Dr S Whitson (Chair)	4	4
Mr R Atkinson (Foundation governor) (Resigned 20 January 2016)	1	1
Mr D Roper (Parent governor) (Resigned 15 April 2016)	3	3
Mr J Robertshaw (Appointed governor)	4	4
Mrs V Atkinson (Parent governor)	4	4
Mrs W Moffat (Head Teacher)	4	4
Mr J Lees (Staff governor)	2	2
Mr N Smith (Appointed governor) (Appointed 21 March 2016)	1	2
Mr A Poolan (Appointed governor) (Appointed 21 March 2016)	1	2

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Review of value for money

As Accounting Officer, the Head Teacher 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 Governing Body where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year in the following ways.

Improving educational results

We ensure that resources are directed where they are most needed and most effective in supporting pupil attainment and achievement in the following ways.

- Providing specialist teaching in all subjects
- Providing an effective system of pastoral support
- Using Pupil Premium to provide targeted support and individual assistance
- 1:1 and small group intervention and support to develop literacy skills
- CAT and other baseline tests in Year 7 support analysis of need
- Individual support for students with AEN and SEN
- Programme of university visits, motivational speakers, careers events and work experience
- Investment in staff CPD

All available data shows the Trust has put in place very effective strategies for achieving outstanding outcomes for all young people in the Academy. The Academy has no students who become NEET and 100% of Post 16 students enter university or the world of work.

Financial governance and oversight

Our arrangements include regular monitoring by the Governing Body and the Business Committee. These bodies receive regular reports and provide challenge as recorded in the minutes of meetings. Further scrutiny is provided by the Responsible Officer from Calderdale LA, who carries out internal audit and provides feedback to the Business Committee. Governors attend committees based on their skillsets. Budgeting forecasting software that is used links to the finance package enabling clearer forecasts over 5 years. Asset management software facilitates our recording of assets, contracts and the condition of the building.

Effective purchasing

The Academy always views alternative purchasing options in order to find best value. We make use of our contacts in the Business Manager Network and in CASH to inform our decision-making. A tendering process is used for all major contracts and works. For any purchases, 3 quotes are always obtained and considered to ensure the Academy obtains the best quality and effectiveness at the most competitive price. The Academy collaborates with local schools to reduce costs where possible, for example in the commissioning of in-house training. Cost savings are an ongoing consideration. A Sixth Form Centre was opened in October 2015 and the project management was extremely effective.

Income generation

The Academy is continually exploring new ways of income generation for example through additional lettings and new initiatives. The school has engaged a company to manage its lettings and this is increasing the amount of lettings and the income generated. The Academy has had to close the swimming pool due to lack of funds to maintain its condition at the present time. In-school catering has again generated increased profit this year. The Academy ran a 2 week summer school in Languages and DT for which we received funding from Pupil Premium.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Future objectives

The Crossley Heath School offers very good value for money. Educational attainment measures show strong performance and we intend to ensure that this continues into the future.

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. A developing system of internal control is based on an on-going process designed to identify and prioritise the risks to achievement of the 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. To comply with the requirement to have a process for independent checking of financial controls, systems, transactions and risks, The Crossley Heath Academy Trust Limited has engaged the Council's Internal Audit service. Reports are received by the Business Committee. A Risk Register and Business Continuity Plan are in place and are monitored by the Business Committee.

Capacity to handle risk

The Governing Body has reviewed the key risks to which the Academy Trust is exposed together with operating financial and compliance controls that have been implemented to mitigate those risks. The Governing Body is of the view that there is an on-going and developing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place during the period reported on and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

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 included:

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- Regular reviews by the Business Committee of reports which indicate financial performance against the forecasts and of major purchase plans, explanations of variances, 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 engages an independent internal auditor.

The internal auditor's role includes checking of financial controls, systems, transactions and risks. The checks carried out during the reporting period included a review of budgeting processes. There were no significant issues.

The auditor reports to the Governing Body through the Business Committee on the operation of systems of control.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Review of effectiveness

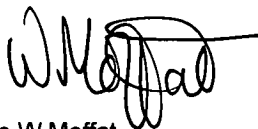
As Accounting Officer, the Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- The work of the Council's Internal Audit Service
- The work of the external auditor
- The work of the senior leadership team within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

Approved by order of the Governing Body on 6 December 2016 and signed on its behalf by:



Dr S Whitson
Chair



Mrs W Moffat
Head Teacher

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2016

As Accounting Officer of The Crossley Heath School Academy Trust Limited I have considered my responsibility to notify the Academy Trust Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Academy Trust's Governing Body 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 2015.

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the Governing Body and EFA.



Mrs W Moffat
Accounting Officer

06 December 2016

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

STATEMENT OF GOVERNORS' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

The governors (who act as trustees for The Crossley Heath School Academy Trust Limited and are also the directors of The Crossley Heath School Academy Trust Limited for the purposes of company law) are responsible for preparing the Governors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the governors to prepare accounts for each financial year. Under company law the governors must not approve the accounts 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 accounts, the governors 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 2015 to 2016;
- make judgements 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 accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The governors 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the Governing Body on 6 December 2016 and signed on its behalf by:



Dr S Whitson
Chair

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

We have audited the accounts of The Crossley Heath School Academy Trust Limited for the year ended 31 August 2016 set out on pages 22 to 42. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

As explained more fully in the Governors' Responsibilities Statement set out on page 17, the governors, who are also the directors of The Crossley Heath School Academy Trust Limited for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the governors; and the overall presentation of the accounts. In addition, we read all the financial and non-financial information in the Governors' Report including the incorporated strategic report to identify material inconsistencies with the audited accounts and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on accounts

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 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 Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governors' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts.

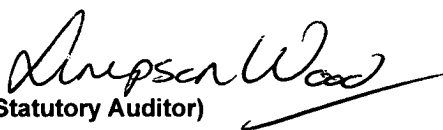
THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED (CONTINUED)

Matters on which we are required to report by exception

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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Daniel McAllister FCA (Senior Statutory Auditor)
for and on behalf of Simpson Wood Limited

Chartered Accountants
Statutory Auditor
Bank Chambers
Market Street
Huddersfield
HD1 2EW

Dated: 6 December 2016

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 2 October 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Crossley Heath School Academy Trust Limited during the period 1 September 2015 to 31 August 2016 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 The Crossley Heath School Academy Trust Limited and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the The Crossley Heath School Academy Trust Limited and EFA 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 The Crossley Heath School Academy Trust Limited and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Crossley Heath School Academy Trust Limited's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Crossley Heath School Academy Trust Limited's funding agreement with the Secretary of State for Education dated 19 December 2012 and the Academies Financial Handbook, extant from 1 September 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 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 2015 to 2016 issued by EFA. 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:

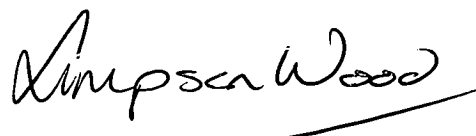
- consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance which may include review and corroboration of the most recent Financial Management and Governance Evaluation or equivalent;
- evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity;
- assessment and testing of a sample of the specific control activities over regularity of a particular activity;
- when performing sample testing of expenditure, considering whether the activity is permissible within the academy trust's framework of authorities.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED AND THE EDUCATION FUNDING AGENCY (CONTINUED)

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 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Daniel McAllister FCA
Reporting Accountant
Simpson Wood Limited
Bank Chambers
Market Street
Huddersfield
HD1 2EW

Dated: 06 December 2016

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £	Total 2015 £
Income and endowments from:						
Donations and capital grants	2	181,126	-	1,110,349	1,291,475	741,398
Charitable activities:						
- Funding for educational operations	3	-	4,805,188	-	4,805,188	5,042,418
Other trading activities	4	585,098	321,498	-	906,596	801,212
Investments	5	2,265	-	-	2,265	2,658
Total income and endowments		<u>768,489</u>	<u>5,126,686</u>	<u>1,110,349</u>	<u>7,005,524</u>	<u>6,587,686</u>
Expenditure on:						
Raising funds	6	324,920	24,525	-	349,445	287,816
Charitable activities:						
- Educational operations	7	128,869	5,550,055	97,367	5,776,291	5,616,816
Total expenditure	6	<u>453,789</u>	<u>5,574,580</u>	<u>97,367</u>	<u>6,125,736</u>	<u>5,904,632</u>
Net income/(expenditure)		314,700	(447,894)	1,012,982	879,788	683,054
Transfers between funds		(510,037)	436,737	73,300	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	19	-	(1,086,000)	-	(1,086,000)	(24,000)
Net movement in funds		<u>(195,337)</u>	<u>(1,097,157)</u>	<u>1,086,282</u>	<u>(206,212)</u>	<u>659,054</u>
Reconciliation of funds						
Total funds brought forward		538,729	(443,551)	877,215	972,393	313,339
Total funds carried forward		<u>343,392</u>	<u>(1,540,708)</u>	<u>1,963,497</u>	<u>766,181</u>	<u>972,393</u>

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

Comparative year information Year ended 31 August 2015	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2015 £
Income and endowments from:					
Donations and capital grants	2	24,400	11,623	705,375	741,398
Charitable activities:					
- Funding for educational operations	3	-	5,042,418	-	5,042,418
Other trading activities	4	440,747	360,465	-	801,212
Investments	5	2,658	-	-	2,658
Total income and endowments		<u>467,805</u>	<u>5,414,506</u>	<u>705,375</u>	<u>6,587,686</u>
Expenditure on:					
Raising funds	6	284,071	3,745	-	287,816
Charitable activities:					
- Educational operations	7	95,720	5,431,336	89,760	5,616,816
Total expenditure	6	<u>379,791</u>	<u>5,435,081</u>	<u>89,760</u>	<u>5,904,632</u>
Net income/(expenditure)		88,014	(20,575)	615,615	683,054
Transfers between funds		-	(27,658)	27,658	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	19	-	(24,000)	-	(24,000)
Net movement in funds		88,014	(72,233)	643,273	659,054
Reconciliation of funds					
Total funds brought forward		450,715	(371,318)	233,942	313,339
Total funds carried forward		<u>538,729</u>	<u>(443,551)</u>	<u>877,215</u>	<u>972,393</u>

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

BALANCE SHEET

AS AT 31 AUGUST 2016

		2016	2015
	Notes	£	£
Fixed assets			
Tangible assets	11	1,342,575	514,616
Current assets			
Stocks	12	2,268	3,217
Debtors	13	225,489	143,767
Cash at bank and in hand		1,188,867	1,050,507
		<u>1,416,624</u>	<u>1,197,491</u>
Current liabilities			
Creditors: amounts falling due within one year	14	(109,416)	(53,714)
Net current assets		<u>1,307,208</u>	<u>1,143,777</u>
Total assets less current liabilities		<u>2,649,783</u>	<u>1,658,393</u>
Creditors: amounts falling due after more than one year	15	(30,602)	-
Net assets excluding pension liability		<u>2,619,181</u>	<u>1,658,393</u>
Defined benefit pension liability	19	(1,853,000)	(686,000)
Net assets		<u><u>766,181</u></u>	<u><u>972,393</u></u>
Funds of the Academy Trust:			
Restricted funds	17		
- Fixed asset funds		1,963,497	877,215
- Restricted income funds		312,292	242,449
- Pension reserve		(1,853,000)	(686,000)
Total restricted funds		<u>422,789</u>	<u>433,664</u>
Unrestricted income funds	17	<u>343,392</u>	<u>538,729</u>
Total funds		<u><u>766,181</u></u>	<u><u>972,393</u></u>

The accounts set out on pages 22 to 42 were approved by the Governing Body and authorised for issue on 06 December 2016 and are signed on its behalf by:



Dr S Whitson
Chair

Company Number 08225755

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Net cash used in operating activities	20		(81,571)		(154,511)
Cash flows from investing activities					
Dividends, interest and rents from investments		2,265		2,658	
Capital grants from DfE and EFA		1,110,349		642,942	
Capital funding from sponsors and others		-		62,433	
Payments to acquire tangible fixed assets		(925,325)		(370,433)	
			187,289		337,600
Cash flows from financing activities					
Cash inflows from new borrowing		32,642		-	
			32,642		-
Change in cash and cash equivalents in the reporting period			138,360		183,089
Cash and cash equivalents at 1 September 2015			1,050,507		867,418
Cash and cash equivalents at 31 August 2016			1,188,867		1,050,507
Relating to:					
Bank and cash balances			1,149,066		1,017,985
Short term deposits			39,801		32,522

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

1 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.

1.1 Basis of preparation

The accounts 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 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

The Crossley Heath School Academy Trust Limited meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of The Crossley Heath Academy Trust Limited prepared in accordance with FRS102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS102 was 1 September 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS102.

1.2 Going concern

The governors assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The governors make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

1.3 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 receivable

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 period 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.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

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 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.

1.4 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 support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

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.

Governance costs

These include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management, governors' meetings and reimbursed expenses.

1.5 Tangible fixed assets and depreciation

Assets costing £ 3,000 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. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

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:

Land & buildings leasehold	2% - 20% straight line
Land and buildings leasehold	33% straight line
Computer equipment	5% - 15% straight line
Fixtures, fittings and equipment	

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.

1.6 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 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 or services it must provide.

1.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

1.8 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.9 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 chapter 3 part 11 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.

1.10 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 and the assets are held separately from those of the Academy Trust.

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 19, 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 are recognised in the period to which they relate.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

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.

1.11 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 governors.

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency and the Department for Education.

1.12 Critical accounting estimates and areas of judgement

Accounting 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension 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 2016. 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.

Critical areas of judgement

The financial statements are prepared on a factual basis as such there are no areas of judgement.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Capital grants	-	1,110,349	1,110,349	642,942
Other donations	181,126	-	181,126	98,456
	<u>181,126</u>	<u>1,110,349</u>	<u>1,291,475</u>	<u>741,398</u>

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
DfE / EFA grants				
General annual grant (GAG)	-	4,708,488	4,708,488	4,936,002
Other DfE / EFA grants	-	78,549	78,549	87,246
	<u>-</u>	<u>4,787,037</u>	<u>4,787,037</u>	<u>5,023,248</u>
Other government grants				
Local authority grants	-	1,773	1,773	1,034
Special educational projects	-	-	-	18,136
	<u>-</u>	<u>1,773</u>	<u>1,773</u>	<u>19,170</u>
Other funds				
Other incoming resources	-	16,378	16,378	-
	<u>-</u>	<u>16,378</u>	<u>16,378</u>	<u>-</u>
Total funding	<u>-</u>	<u>4,805,188</u>	<u>4,805,188</u>	<u>5,042,418</u>

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Hire of facilities	11,230	-	11,230	20,514
Catering income	372,116	-	372,116	292,225
Extra curricular activities	29,508	62,024	91,532	51,328
School trip income	-	199,788	199,788	316,078
Other income	172,244	59,686	231,930	121,067
	<u>585,098</u>	<u>321,498</u>	<u>906,596</u>	<u>801,212</u>

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Short term deposits	2,265	-	2,265	2,658

6 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2016 £	Total 2015 £
Academy's educational operations					
- Direct costs	3,881,950	-	541,707	4,423,657	4,355,482
- Allocated support costs	676,633	158,208	517,793	1,352,634	1,261,334
	4,558,583	158,208	1,059,500	5,776,291	5,616,816
Other expenditure					
Raising funds	97,623	-	251,822	349,445	287,816
Total expenditure	4,656,206	158,208	1,311,322	6,125,736	5,904,632

Net income/(expenditure) for the year includes:

	2016 £	2015 £
Fees payable to auditor for:		
- Audit	5,600	5,450
- Other services	825	800
Operating lease rentals	61,857	51,648
Depreciation of tangible fixed assets	95,021	89,760
Loss on disposal of fixed assets	2,346	-

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Direct costs - educational operations	124,254	4,299,403	4,423,657	4,355,482
Support costs - educational operations	4,615	1,348,019	1,352,634	1,261,334
	<u>128,869</u>	<u>5,647,422</u>	<u>5,776,291</u>	<u>5,616,816</u>
			2016 £	2015 £
Analysis of support costs				
Support staff costs			676,633	710,824
Depreciation and amortisation			97,367	89,760
Premises costs			290,911	260,726
Other support costs			270,547	190,798
Governance costs			17,176	9,226
			<u>1,352,634</u>	<u>1,261,334</u>

8 Staff costs

	2016 £	2015 £
Wages and salaries	3,619,927	3,601,641
Social security costs	276,809	259,031
Operating costs of defined benefit pension schemes	607,208	554,954
Staff costs	<u>4,503,944</u>	<u>4,415,626</u>
Supply staff costs	50,165	39,616
Staff development and other staff costs	102,097	51,934
Total staff expenditure	<u>4,656,206</u>	<u>4,507,176</u>

Staff numbers

The average number of persons employed by the Academy Trust during the year was as follows:

	2016 Number	2015 Number
Teachers	76	77
Administration and support	64	77
Management	9	9
	<u>149</u>	<u>163</u>

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

8 Staff costs

(Continued)

The average number of persons employed by the Academy Trust expressed as full time equivalents was as follows:

	2016 Number	2015 Number
Teachers	60	61
Administration and support	42	49
Management	9	9
	<u>111</u>	<u>119</u>

Higher paid staff

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

	2016 Number	2015 Number
£60,000 - £65,000	1	-
£100,000 - £105,000	1	1
	<u>2</u>	<u>1</u>

Key management personnel

The key management personnel of the Academy Trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key leadership personnel for their services to the Academy Trust was £579,130. This amount includes additional remuneration received by Mrs Moffat, the headteacher, for acting as an executive head for another school. The academy has been reimbursed in full for this additional cost by the school which was supported.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

9 Governors' remuneration and expenses

The headteacher and other staff governors only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as governors. Other governors did not receive any payments from the academy trust in respect of their role as governors. There were no travel and subsistence payments reimbursed to governors during the period.

The value of governors' remuneration, including pension contributions, for the year was as follows:

Mrs W Moffat (Head teacher) **

Remuneration £100,000 - £105,000 (2015 £100,000 - £105,000)

Employer's pension contribution £15,000 - £20,000 (2015 £10,000 - £15,000)

Mr B Coulson (Staff governor)

Remuneration £50,000 - £55,000 (2015 £50,000 - £55,000)

Employer's pension contribution £5,000 - £10,000 (2015 £5,000 to £10,000)

Mr J Lees (Staff governor)

Remuneration £30,000 - £35,000 (2015 £30,000 - £35,000)

Employer's pension contribution £0 to £5,000 (2015 £0 - £5,000)

Mr A Smith (Staff governor)

Remuneration £40,000 - £45,000 (2015 £40,000 - £45,000)

Employer's pension contribution £5,000 - £10,000 (2015 £5,000 - £10,000)

** Mrs Moffat, Head teacher, has received additional remuneration this year for acting as an executive head for another school. The academy has been reimbursed in full for this additional cost by the school which was being supported.

Other related party transactions involving the governors are set out within the related parties note.

10 Governors and officers insurance

In accordance with normal commercial practice, the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £1,000,000 in aggregate in any period of insurance and the cost for the year ended 31 August 2016 was £782.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

11 Tangible fixed assets

	Land and buildings leasehold £	Computer equipment £	Fixtures, fittings and equipment £	Total £
Cost				
At 1 September 2015	7,815	167,416	263,445	750,970
Transfer from assets under construction	312,294	-	-	-
Additions	386,660	8,000	530,665	925,325
Disposals	-	-	(22,228)	(22,228)
At 31 August 2016	706,769	175,416	771,882	1,654,067
Depreciation				
At 1 September 2015	651	134,190	101,513	236,354
On disposals	-	-	(19,882)	(19,882)
Charge for the year	14,377	31,935	48,708	95,020
At 31 August 2016	15,028	166,125	130,339	311,492
Net book value				
At 31 August 2016	691,741	9,291	641,543	1,342,575
At 31 August 2015	7,164	33,226	161,932	514,616

Land and buildings leasehold includes £312,294 of costs which were held as assets under construction at 31 August 2015, but which have been brought into use during the year ended 31 August 2016.

Fixtures, fittings and equipment includes £448,069 of additions in respect of ongoing works for asbestos removal, boiler installation and fire alarm installation. These assets have not been depreciated during the year. Depreciation will commence once the works are completed and the assets are brought into use.

The school buildings occupied by the Academy Trust are owned by the Trustees of the Crossley and Porter Orphan Home and School.

Under the terms of a supplemental agreement dated 19 December 2012 between the Secretary of State for Education and the Trustees of The Crossley and Porter Orphan Home and School, the Trustees undertake to make the school premises available to the Academy Trust throughout the duration of the Academy Trust's Funding Agreement with the Secretary of State, subject to the right of the owners to give not less than two years' notice to terminate the agreement. The Academy Trust's occupancy of the premises is rent-free.

12 Stocks

	2016 £	2015 £
Catering stock	2,268	3,217

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

13 Debtors	2016 £	2015 £
Trade debtors	45,493	2,479
VAT recoverable	91,739	64,222
Other debtors	8,415	-
Prepayments and accrued income	79,842	77,066
	<u>225,489</u>	<u>143,767</u>
	<u><u>225,489</u></u>	<u><u>143,767</u></u>
14 Creditors: amounts falling due within one year	2016 £	2015 £
Government loans	2,040	-
Trade creditors	3,333	457
Accruals and deferred income	104,043	53,257
	<u>109,416</u>	<u>53,714</u>
	<u><u>109,416</u></u>	<u><u>53,714</u></u>
15 Creditors: amounts falling due after more than one year	2016 £	2015 £
Government loans	<u>30,602</u>	<u>-</u>
	<u><u>30,602</u></u>	<u><u>-</u></u>
Analysis of loans		
Wholly repayable within five years	32,642	-
Less: included in current liabilities	(2,040)	-
	<u>30,602</u>	<u>-</u>
	<u><u>30,602</u></u>	<u><u>-</u></u>
Loan maturity		
Debt due in one year or less	2,040	-
Due in more than one year but not more than two years	4,080	-
Due in more than two years but not more than five years	12,241	-
Due in more than five years	14,281	-
	<u>32,642</u>	<u>-</u>
	<u><u>32,642</u></u>	<u><u>-</u></u>

The Government loan is an interest free Salix loan. In accordance with the Accounts Direction the loan has been recognised as the amount received less repayments made.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

16	Deferred income	2016 £	2015 £
	Deferred income is included within:		
	Creditors due within one year	83,834	34,713
	Deferred income at 1 September 2015	34,713	102,088
	Released from previous years	(34,713)	(67,375)
	Amounts deferred in the year	83,834	-
	Deferred income at 31 August 2016	83,834	34,713

The deferred income relates to parent pay, bursaries, rates refund and field trips activities due to occur after the year end.

17	Funds	Balance at 1 September 2015 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2016 £
	Restricted general funds					
	General Annual Grant	(22,783)	4,708,488	(5,122,442)	436,737	-
	Other DfE / EFA grants	25,937	78,549	(74,327)	-	30,159
	Other government grants	9,979	1,773	(7,253)	-	4,499
	Other restricted funds	229,316	337,876	(289,558)	-	277,634
	Funds excluding pensions	242,449	5,126,686	(5,493,580)	436,737	312,292
	Pension reserve	(686,000)	-	(81,000)	(1,086,000)	(1,853,000)
		<u>(443,551)</u>	<u>5,126,686</u>	<u>(5,574,580)</u>	<u>(649,263)</u>	<u>(1,540,708)</u>
	Restricted fixed asset funds					
	DfE / EFA capital grants	877,215	1,110,349	(97,367)	-	1,890,197
	Capital expenditure from GAG	-	-	-	73,300	73,300
		<u>877,215</u>	<u>1,110,349</u>	<u>(97,367)</u>	<u>73,300</u>	<u>1,963,497</u>
	Total restricted funds	<u>433,664</u>	<u>6,237,035</u>	<u>(5,671,947)</u>	<u>(575,963)</u>	<u>422,789</u>
	Unrestricted funds					
	General funds	<u>538,729</u>	<u>768,489</u>	<u>(453,789)</u>	<u>(510,037)</u>	<u>343,392</u>
	Total funds	<u>972,393</u>	<u>7,005,524</u>	<u>(6,125,736)</u>	<u>(1,086,000)</u>	<u>766,181</u>

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Funds

(Continued)

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 2016.

18 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	1,342,575	1,342,575
Current assets	363,091	399,969	653,564	1,416,624
Creditors falling due within one year	(19,699)	(87,677)	(2,040)	(109,416)
Creditors falling due after one year	-	-	(30,602)	(30,602)
Defined benefit pension liability	-	(1,853,000)	-	(1,853,000)
	<u>343,392</u>	<u>(1,540,708)</u>	<u>1,963,497</u>	<u>766,181</u>

19 Pensions 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 West Yorkshire Pension Fund. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

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.

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

19 Pensions and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

Not less than every four years 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 (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective 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 is 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 nominal rate of return is 5.06%

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to the TPS in the period amounted to £425,999 (2015: £363,606).

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 a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 14.4% per cent for employers and 5.5% - 6.5% per cent for employees. The estimated value of employer contributions for the forthcoming year is £138,000.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of 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.

Total contributions made	2016 £	2015 £
Employer's contributions	134,000	145,000
Employees' contributions	52,000	53,000
Total contributions	186,000	198,000

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

19 Pensions and similar obligations

(Continued)

Principal actuarial assumptions	2016 %	2015 %
Rate of increases in salaries	3.4	3.6
Rate of increase for pensions in payment	1.9	2.1
Discount rate	2.0	3.8
Inflation assumption (CPI)	1.9	2.1

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

	2016 Years	2015 Years
Retiring today		
- Males	23	23
- Females	26	26
Retiring in 20 years		
- Males	25	25
- Females	28	28

The Academy Trust's share of the assets in the scheme

	2016 Fair value £	2015 Fair value £
Equities	1,776,866	1,350,261
Government and corporate bonds	364,364	266,850
Cash	33,124	26,685
Property	113,568	80,055
Other assets	78,078	55,149
Total market value of assets	2,366,000	1,779,000
Actual return on scheme assets - gain/(loss)	357,000	(21,000)

Amounts recognised in the statement of financial activities

	2016 £	2015 £
Current service cost (net of employee contributions)	192,000	198,000
Net interest cost	23,000	(20,000)
Plan introductions, benefit changes, curtailments and settlements	-	6,000
Total operating charge	215,000	184,000

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

19 Pensions and similar obligations (Continued)

Changes in the present value of defined benefit obligations 2016
£

Obligations at 1 September 2015	2,465,000
Current service cost	192,000
Interest cost	95,000
Employee contributions	52,000
Actuarial loss	1,371,000
Benefits paid	44,000
At 31 August 2016	4,219,000

Changes in the fair value of the Academy Trust's share of scheme assets 2016
£

Assets at 1 September 2015	1,779,000
Interest income	72,000
Return on plan assets (excluding amounts included in net interest):	
Actuarial gain	285,000
Employer contributions	134,000
Employee contributions	52,000
Benefits paid	44,000
At 31 August 2016	2,366,000

20 Reconciliation of net income to net cash flows from operating activities

	2016 £	2015 £
Net income for the reporting period	879,788	683,054
Adjusted for:		
Capital grants from DfE/EFA and other capital income	(1,110,349)	(705,375)
Investment income	(2,265)	(2,658)
Defined benefit pension costs less contributions payable	58,000	59,000
Defined benefit pension net finance cost/(income)	23,000	(20,000)
Depreciation of tangible fixed assets	95,021	89,760
Losses/(profits) on disposals of fixed assets	2,346	-
(Increase)/decrease in stocks	949	(1,940)
(Increase)/decrease in debtors	(81,722)	(68,532)
Increase/(decrease) in creditors	53,661	(187,820)
Net cash used in operating activities	(81,571)	(154,511)

THE CROSSLEY HEATH SCHOOL ACADEMY TRUST LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

21 Commitments under operating leases

At 31 August 2016 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2016 £	2015 £
Amounts due within one year	61,347	61,857
Amounts due in two and five years	82,739	144,086
	<u>144,086</u>	<u>205,943</u>

22 Capital commitments

	2016 £	2015 £
Expenditure contracted for but not provided in the accounts	<u>575,217</u>	<u>446,790</u>

23 Related party transactions

Owing to the nature of the Academy Trust's operations and the composition of the Governing Body being drawn from local public and private sector organisations, transactions may take place with organisations in which governors have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

The following related party transactions took place in the period of account:

Stuart Moffat Design and Photography is a business owned by Mr Peter Moffat, husband of Mrs Wendy Moffat the headteacher and a governor. Transactions totalling £8,677 (2015- £8,827) relating to the design, production and printing of the Academy's prospectus and stationery and in relation to his role as Academy photographer took place in the year. There were no amounts outstanding at this period end. Procedures are in place to ensure that Mrs Moffat is not involved in the procurement process for the items detailed above and also to ensure that other quotes are obtained to ensure the Academy is obtaining the items at the best value.

24 Members' liability

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