

Registered number: 07992372 (England & Wales)

REDMOOR ACADEMY
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

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REDMOOR ACADEMY
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016

Members

Alan Boak
Joanne Hudson
Henry Earp

Trustees

J Hudson
H Earp¹
A Boak¹
A Coombs (Principal and Accounting Officer)¹
J Shilladay¹
M Stanhope (Staff Trustee) (appointed 14/10/2015)
J Duggins (Staff Trustee) (appointed 04/12/2015)¹
C Kealey (MBE) (appointed 09/09/2015)
N Holt (appointed 14/10/2015)
N Walkee (appointed 07/09/2016)¹
J Harrington (appointed 07/09/2016)¹
P Bailey (resigned 26/4/16)
J Kaye (resigned 26/4/16)
I Thornton (resigned 26/4/16)
A Fortune (resigned 26/10/15)

¹Finance and General Purposes Committee

Company registration number

07992372

Company name

Redmoor Academy

Principal and registered office

Wykin Road
Hinckley
Leicestershire
LE10 OEP

Senior leadership team

A Coombs, Principal
A Wright, Vice Principal
P Avent, Vice Principal
A Fortune, Assistant Vice Principal
J Sulley, Business Manager (appointed 1 September 2015)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016

Advisers (continued)

Independent auditor

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
11 Merus Court
Meridian Business Park
Leicester
LE19 1RJ

Bankers

Royal Bank of Scotland Plc
5 Market Street
Leicester
LE1 6DN

Solicitors

Brethertons Solicitors LLP
Strathmore House
Waterperry Court
Middleton Road
Banbury
OX16 4QD

REDMOOR ACADEMY
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees (who are also known as the Governors) present their annual report together with the financial statements and auditors' reports of the charitable company for the year ended 31 August 2016. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Trust operates an Academy for pupils aged 11 to 16 serving a catchment area in Hinckley Leicestershire. It has a pupil capacity of 555 and had a roll of 904 in the school census on 1 October 2016.

STRUCTURE, GOVERNANCE AND MANGEMENT

Constitution

The Academy Trust is a Company Limited by Guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of Redmoor Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as Redmoor Academy.

Details of the Trustees who served throughout the year except as noted 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.

Trustees' Indemnities

Governors benefit from indemnity insurance to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. The cost of this insurance in the year was £634 (2015: £1,243).

Method of Recruitment and Appointment or Election of Trustees

Recruitment of Governors is outlined in the Memorandum and Articles of Association. The Members may appoint up to 4 (four) Governors. The Governors may co-opt up to 4 (four) Governors. The appointment of Staff Governors 3 (three) is via a process of a staff ballot. Appointment of Parent Governors 5 (five) is made via parent ballot. The School's Principal is a Governor by right.

Policies and Procedures Adopted for the Induction and Training of Trustees

Governor training is through a menu of extensive specialised training available via the Leicestershire County Council's 'Governor Development Services' which the Trust buys into on an annual basis. They include training courses tailored specifically for new Governors. The Academy has also produced a comprehensive 'Governors' Induction Handbook'. In order to understand their roles meetings with the Chair of Governors and the Principal are a requirement for all new Governors, and if required, meetings are on offer to meet the Business Manager.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Organisational Structure

The Trust has at present 3 Members who are responsible for the overall running of the Trust. They also have the strategic role monitoring the current and future direction of the Academy. They are in turn responsible to the Board of Trustees. They have a responsibility to produce an annual report to the Auditor and to recommend to the Board of Trustees the allocation of the annual budget received from the Education Funding Agency. The structure is made up of:

1. Three Trust Members who are also members of the Full Governing Body;
2. The Full Governing Body;
3. A committee structure consisting of:-

3a Finance and General Purposes Committee

- Remit includes Finance and Personnel
- Membership is comprised of self-selecting Governors
- The committee meets six times per year or, more frequently as required

3b School Standard Committee

- Remit includes Attainment, Behaviour & Safety and Teaching and Learning
- Membership comprised of self-selecting Governors
- The committee meets six times per year or, more frequently as required

3c Health and Safety Standing Committee

- Membership comprised of Chair of Governors, Principal, and Site Manager
- Report to appropriate committee and/or Full Governing Body

3d Principal's Annual Performance Review Panel

- Membership comprised of three Governors selected by Trust Members
- Recommendations made to Finance and General Purposes Committee

3e Pay and Conditions Committee

- Membership comprised of three Governors selected by Trust Members
- Meets when recommendations from the Principal regarding pay need to be considered. Pay recommendations follow performance management and are only recommended when targets have been met. Senior Leadership Team members (Key Management Personnel) are performance managed by an external advisor and pay recommendations are based on this.
- Meets when required to consider recommendations regarding Pay and Conditions.

Other Standing Committees

3f Staff Dismissal, Staff Dismissal Appeals, Exclusions, Exclusion Appeals, Complaints, Staff Appointment, Pupil Discipline Panel

- Membership comprised of Trustees but not Staff Trustees and Trustees previously involved with the individual case, they will meet as required.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Other identified Roles for Governors

- SEND Governor
- Governor Training Governor
- Safeguarding Governor
- Healthy Choices - Sex and Drugs Governor

Where applicable all the committees are subject to annually agreed 'Terms of Reference' or relevant policy/procedure documents.

The Trustees' role is to robustly hold senior leaders to account for all aspects of the school's performance.

The Principal and the Senior Leadership Team are responsible for providing effective leadership and efficient and effective management of the school. To work within budget having regard to the Academy Development Plan.

Any expenditure over £5,000 has to be signed off by a Trustee Member. The Trust's Accounting Officer is Andrew Coombs – Principal.

Arrangements for setting pay and remuneration of key management personnel

See arrangements as detailed in note 3e above.

Related Parties and other Connected Charities and Organisations

The Academy is a single school. The Academy continues to work closely with the local family of schools including Primary and Secondary schools. The school is a strategic partner of the Thomas Estley Teaching School Alliance (TELA). The Principal is a National Leader of Education and the Academy is a National Support School.

OBJECTIVES AND ACTIVITIES

Objects and Aims

Redmoor Academy promotes high achievement and learning for life. We want all students in the Academy to:

- Realise their full potential in all areas of the curriculum;
- Gain advanced technological skills;
- Be self-disciplined and take responsibility for their own learning and actions;
- Be adaptable for the modern world;
- Become highly motivated lifelong learners; and
- Have high self-esteem – respecting themselves, others and the environment.

Objectives, Strategies and Activities

- Assessment for learning / tracking student progress;
- Focus on Literacy;
- Curriculum Development;
- Academy Status;
- Developing an 11 to 16 school;
- Focus on Numeracy;
- Intervention – small group support; and
- Focus on Teaching.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Public Benefit

In setting objectives the Governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to the supplementary public benefit guidance on advancing education.

STRATEGIC REPORT

Achievements and Performance

The Academy Trustees are responsible for the achievements and performance of Redmoor Academy. With the School Leadership Team, they determine the strategic vision and ethos of the school. They hold the school to account – challenging and monitoring performance particularly the achievement of pupils, the quality of teaching, behaviour and safety, quality of leadership and management and ensuring financial probity and acting as a responsible employer.

Redmoor is a high performing Academy. Attainment is significantly above national average and progress by individuals and groups of individuals is exceptional. Student attendance is very high with little variation between groups of individuals. The quality of teaching is exceptional with all lessons judged to be at least good and many outstanding. As a result progress is rapid. Behaviour remains exceptional and the school, as a National Support School, continues to support other schools to raise their standards of achievement. At the time of the last inspection, the work of the Academy Trust was judged to be good.

Key Performance Indicators

Essential site development that was required to take place in the summer break led to a planned overspend in 2014/15, with the funding already put aside from 2015/16 income with the school having a carry forward budget into 2016/17. Financial reports and budget updates and projections presented to the Finance Committee have shown that the Academy has continued to stay within its budget and a carry forward figure was achieved.

Lesson observations coupled with the staff annual performance reviews and constant professional development has ensured that the high standard of teaching has been maintained. The teaching standards were judged to be Good or Outstanding. Attainment has improved year on year.

Going Concern

After making appropriate enquires, 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. In 2015/2016, the Academy received LAG funding for 30 additional students admitted in 2014/2015 and will receive in 2016/2017 further LAG funding for an additional 40 students admitted in 2015/2016. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Review and Reserves Policy

The Academy reported a surplus in unrestricted funds of £69,000 and a surplus of the General Annual Grant of £194,000 enabling the brought forward deficit of the Grant of £118,000 to be made good. At the year end the Academy had £69,000 of unrestricted funds, £76,000 of General Annual Grant and £116,000 of other unspent restricted funds to carry forward into the next accounting period.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

The policy of the Academy is to carry forward where possible a prudent level of resources designed to meet the long term cyclical needs of renewal and any other foreseen circumstances, subject to the constraint that the level of resources does not exceed the level permitted by the Education Funding Agency. The Academy believes that it should aim to establish a prudent level of free reserves of around 5% of its normal annual income. For the year 2016/17 this may not be possible due to the Academy being unsuccessful in securing a CIF bid for essential building works and having to partially fund these works out of our annual GAG.

At 31 August 2016 the total funds comprised:

		£'000
Unrestricted		69
Restricted:	Fixed asset funds	7,005
	GAG	76
	Pension reserve	(1,408)
	Other	116
		<u>5,858</u>

The deficit on the pension reserve relates to the non-teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Governors, and represent less than one month's worth of Academy expenditure. The aim of the Governors is to increase this reserve to meet future working capital requirements.

Investment Policy

To mitigate against the underfunding year on year due to increased numbers Governors have adopted a policy that the Academy would not consider investment at this stage but retain a contingency to take us through uncharted waters.

Principal Risks and Uncertainties

The principal risks facing the Academy are addressed in the Business Continuity Plan and include:

- Strategic and Reputational risks;
- Operational risks;
- Compliance risks; and
- Financial risks.

Control measures are in place to manage and identify risks, the key risks being that of reduced pupil numbers, that would affect the level of EFA funding and future Government cuts. Active promotion of the Academy is robustly maintained and through regular reports to the Finance Committee the budget is monitored carefully over a 3 year projected period to manage any reduction in funding.

The principal risks facing the Academy are:

- Reputational risk – The principal reputational risks are adverse publicity about the Academy caused by a failure of members of the school to follow established policy, procedures or practice. The risk is mitigated through a robust adherence to and monitoring of the Academy's policies, procedures and practices. In addition, the Academy proactively nurtures good relationships with all stakeholders, including parents and the local community.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

- Performance risk – The principal performance risks are that the students do not meet government floor standards in public examinations or that the school doesn't achieve a "Good" grading or better by OFSTED. The risks are mitigated through the robust monitoring of student performance, tracking of student achievement and staff performance, through Performance Management, the production of an accurate and up-to-date SEF and Improvement Plans. Identified actual or potential underperformance will result in swift and appropriate action planning to correct the situation.
- Financial Risk – The principal financial risks are a reduction in pupil numbers, reduction in central government funding, unbudgeted increase in teaching or support staff costs, or unbudgeted major capital repairs. The financial risks are mitigated by establishing high demand for places at the Academy, sound financial planning based on accurate information from central government. Increasing income streams by trading expertise locally and nationally and a planned and costed programme of building refurbishment. Insurance against loss options are considered and adopted as appropriate.
- Risks associated with personnel - The risks associated with personnel are long term absences, the failure to recruit or retain staff and staff unable to undertake responsibilities to the required standard. The personnel risks are mitigated by strict adherence to all HR policies, practice and procedures, meeting Investors in People Standards, high quality induction programmes and high quality continuing profession dialogues. In addition, the Academy has a positive approach to job knowledge and succession planning.

The Academy Trust practices through its Board, namely the Board of Trustees and the constituted sub-committees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board of Trustees with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Board of Trustees accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Board of Trustees collectively, whilst more minor risks are dealt with by senior executive officers.

Plans for Future Periods

The Academy is undergoing a major age range change. Students will sit the first GCSE papers in June 2017. We continue to forge closer links with our local family of schools including Primary and Secondary schools and continue to explore the benefits of becoming a Multi-Academy Trust.

Funds Held as Custodian Trustee on Behalf of Others

The Academy does not hold any such funds on behalf of any other organisations.

**REDMOOR ACADEMY
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the Trustees 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.

Reappointment of auditors will be considered at the first Finance and General Purposes Committee of the spring term 2017.

Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 14 December 2016 and signed on the Board's behalf by:

.....
Alan Boak
Chair of Trustees

REDMOOR ACADEMY
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GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2016

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Principal, 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 Redmoor Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

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

Trustee	Meetings attended	Out of a possible
A Boak (Chair)	7	7
J Hudson	4	7
H Earp	7	7
A Coombs (Principal)	7	7
J Shilladay	7	7
I Thornton	4	7
J Kaye	3	7
N Holt	5	7
A Fortune(staff)	2	7
P Bailey	4	7
C Kealey	3	7
J Duggins (staff)	3	7
M Stanhope (staff)	4	7

There have been four resignations from the Board during 2015/16, Mrs. Bailey 26/4/2016, Mrs. Kaye 24/6/2016, Mr. Thornton 26/4/2016 and Mr. Fortune 26/10/2015.

Governance reviews:

The Trustees use Governor Development services to ensure that all training requirements for Trustees are met. Each Trustee has a Governor Training Record. Each term our Governor Training Governor issues a newsletter, "Governing Body Training Focus", this highlights current issues and offers the relevant training. The Trustees are also members of the Leicestershire Academies Group and The National Governors Association.

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GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

External evaluation is carried out as part of the reviews of leadership at Redmoor.

As a result of new legislation and evaluations a Pay Committee has been formed.

The Trustees meet on a half termly basis and report their findings to the Board of Trustees. The most recent meeting was on 29 October 2015. The next meeting will be 26 January 2017.

The Finance and General Purposes Committee is a sub-committee of the main Board of Trustees.

Trustee	Meetings attended	Out of a possible
A Boak	5	5
H Earp	5	5
A Coombs (Principal)	5	5
J Shilladay	5	5
P Bailey	4	5
A Fortune	1	5
J Kaye	1	5
J Duggins	2	5
N Walkee	0	0
J Harrington	0	0

Review of Value for Money

As Accounting Officer the Principal 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 for taxpayers resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during the academic year and reports to the Board of Trustees 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 by reorganising the Premises Team in order that we do more site development and maintenance work in-house thus saving outsourcing costs and by the Operations Manager project managing all works.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Redmoor Academy Trust for the year ending 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees and there will be a major review conducted in 2016/2017.

GOVERNANCE STATEMENT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

The Risk and Control Framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to continue to use Leicestershire County Council as internal auditor

The auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On an annual basis, the auditor reports to the Board of Trustees, Through the Finance and General Purposes Committee on the operation of the systems of control and on the discharge of the Board of Trustees financial responsibilities.

Review of Effectiveness

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

- the work of the internal auditor; and
- the work of the external auditor.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and General Purposes Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 14 December 2016 and signed on their behalf, by:

.....
A Boak
Chair of Trustees

.....
A Coombs
Accounting Officer

REDMOOR ACADEMY
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Redmoor Academy I have considered my responsibility to notify the Academy Trust Board of Trustees 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 2015.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 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 Board of Trustees and EFA.

.....
A Coombs
Accounting Officer

14 December 2016

REDMOOR ACADEMY
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees (who act as Governors of Redmoor Academy and are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 14 December 2016 and signed on its behalf by:

.....
A Boak
Chair of Trustees

REDMOOR ACADEMY
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INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF REDMOOR ACADEMY

We have audited the financial statements of Redmoor Academy for the year ended 31 August 2016 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, 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" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the Academy's Board of Trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy'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 Academy's Board of Trustees for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the Directors of the Academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements 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 FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' Report to identify material inconsistencies with the audited financial statements 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 FINANCIAL STATEMENTS

In our opinion the financial statements:

- 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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**INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
REDMOOR ACADEMY**

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' Report, incorporating the Strategic Report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

Robert Nelson BA FCA DChA (Senior Statutory Auditor)

for and on behalf of

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

11 Merus Court
Meridian Business
Park Leicester
LE19 1RJ

20 December 2016

REDMOOR ACADEMY
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REDMOOR ACADEMY AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 20 September 2016 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 Redmoor Academy during the year ended 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 Redmoor Academy and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Redmoor Academy and the 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 Redmoor Academy and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF REDMOOR ACADEMY'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Redmoor Academy's funding agreement with the Secretary of State for Education dated 1 April 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 year ended 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 the 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's income and expenditure.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO REDMOOR ACADEMY AND THE EDUCATION FUNDING AGENCY (continued)

The work undertaken to draw our conclusions includes:

- A review of the objectives and activities of the Academy, with reference to the income streams and other information available to us as auditors of the Academy.
- Testing of a sample of grants received and other income streams.
- Testing of a sample of payments to suppliers and other third parties.
- Testing of a sample of payroll payments to staff.
- Evaluating the internal control procedures and reporting lines, and testing as appropriate.

- Reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity.

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

MHA MacIntyre Hudson

Chartered Accountants
Statutory Auditors

11 Merus Court
Meridian Business
Park Leicester
LE19 1RJ

20 December 2016

REDMOOR ACADEMY
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Restricted fixed asset funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
INCOME FROM:						
Donations and capital grants	2	9	-	-	9	1
Funding for the Academy						
Trust's Educational operations	3	-	3,868	13	3,881	2,904
Other trading activities	4	238	-	-	238	261
TOTAL INCOME		247	3,868	13	4,128	3,166
EXPENDITURE ON:						
Raising funds	5	178	-	-	178	218
Academy Trust Educational operations		-	3,550	231	3,781	3,105
TOTAL EXPENDITURE	7	178	3,550	231	3,959	3,323
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	17	69	318	(218)	169	(157)
		-	(138)	138	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		69	180	(80)	169	(157)
Actuarial gains/(losses) on defined benefit pension schemes	22	-	(300)	-	(300)	35
NET MOVEMENT IN FUNDS		69	(120)	(80)	(131)	(122)
RECONCILIATION OF FUNDS:						
Total funds brought forward		-	(1,096)	7,085	5,989	6,111
TOTAL FUNDS CARRIED FORWARD		69	(1,216)	7,005	5,858	5,989

The notes on pages 23 to 45 form part of these financial statements.

REDMOOR ACADEMY
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07992372

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£000	2016 £000	£000	2015 £000
FIXED ASSETS					
Tangible assets	13		7,031		7,085
CURRENT ASSETS					
Debtors	14	93		167	
Cash at bank and in hand		455		9	
		<u>548</u>		<u>176</u>	
CREDITORS: amounts falling due within one year	15	(296)		(226)	
NET CURRENT ASSETS/(LIABILITIES)			252		(50)
TOTAL ASSETS LESS CURRENT LIABILITIES			7,283		7,035
CREDITORS: amounts falling due after more than one year	16		(17)		(23)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			7,266		7,012
Defined benefit pension scheme liability	22		(1,408)		(1,023)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			5,858		5,989
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	192		(73)	
Restricted fixed asset funds	17	7,005		7,085	
Restricted income funds excluding pension liability		<u>7,197</u>		<u>7,012</u>	
Pension reserve	18	(1,408)		(1,023)	
Total restricted income funds			5,789		5,989
Unrestricted income funds	17		69		-
TOTAL FUNDS			5,858		5,989

REDMOOR ACADEMY
(A Company Limited by Guarantee)

BALANCE SHEET (continued)
AS AT 31 AUGUST 2016

The financial statements were approved by the Trustees, and authorised for issue, on **Complete 'ACCOUNTS COMPLETION' section** and are signed on their behalf, by:

.....
A Boak
Chair of Trustees

.....
A Coombs
Accounting Officer

The notes on pages 23 to 45 form part of these financial statements.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £000	2015 £000
Cash flows from operating activities			
Net cash provided by operating activities	19	<u>358</u>	<u>292</u>
Returns on investments			
Purchase of tangible fixed assets		(177)	(406)
Capital grants from DfE/EFA		13	13
Capital funding received from sponsors and others		<u>256</u>	<u>55</u>
Net cash provided by/(used in) investing activities		<u>92</u>	<u>(338)</u>
Change in cash and cash equivalents in the year		450	(46)
Cash and cash equivalents brought forward		<u>(21)</u>	<u>25</u>
Cash and cash equivalents carried forward	20	<u><u>429</u></u>	<u><u>(21)</u></u>

The notes on pages 23 to 45 form part of these financial statements.

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 of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

The Company's functional and presentational currency is British Pound Sterling (£).

The company was incorporated in the UK.

The registered office is Redmoor Academy, Wykin Road, Hinckley, Leicestershire, LE10 0EP

First time adoption of FRS 102

These financial statements are the first financial statements of Redmoor Academy prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Redmoor Academy for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 28.

1.2 Going concern

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.3 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 with restrictions imposed by the funder and include grants from the Education Funding Agency.

1.4 Income

All income is recognised once the Academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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 and there is not unconditional entitlement to the income its recognition is deferred and included in creditors as deferred income until the performance related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured.

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.5 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 allocated on the portion of the asset's use.

Expenditure on raising funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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.

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long leasehold land	-	125 years over the term of the lease
Long leasehold Property	-	2% Straight line
Property improvements	-	2% Straight line
Plant and machinery	-	20% Straight line
Fixtures and fittings	-	10% Straight line
Computer equipment	-	25% Straight line

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

Rentals under operating leases are charged to the Statement of Financial Activities Incorporating Income and Expenditure Account on a straight line basis over the lease term.

1.8 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy; this is normally upon notification of the interest paid or payable by the Bank.

1.9 Taxation

The Academy 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 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 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.11 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Liabilities and provisions

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.

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.13 Financial instruments

The Academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.14 Pensions

Retirement benefits to employees of the Academy 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.

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 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 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance Sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account 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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.15 Critical accounting estimates and areas of judgement

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 annual depreciation charge for tangible fixed assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are reassessed annually. See note 13 for the carrying amount of the tangible fixed assets, and note 1.6 for the useful economic lives for each class of assets.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, 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.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Restricted fixed asset funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
Voluntary income	<u>9</u>	<u>-</u>	<u>-</u>	<u>9</u>	<u>1</u>

In 2015, the total income from donations and capital grants of £1,000 was unrestricted income.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
DfE/EFA grants				
General Annual Grant (GAG)	-	3,150	3,150	2,340
Pupil Premium	-	132	132	101
Capital grants	-	13	13	13
Other EFA/DfE grants	-	48	48	51
	-	3,343	3,343	2,505
Other government grants				
Local Authority income	-	349	349	221
	-	349	349	221
Other funding				
School trips and parental contributions	-	158	158	134
Other non government grants	-	24	24	3
National leader of education	-	3	3	23
Insurance claims and reimbursement	-	-	-	4
Other income	-	4	4	14
	-	189	189	178
	-	3,881	3,881	2,904

In 2015, of the total income from charitable activities, £1,000 was by way of unrestricted income and £2,904,000 restricted income.

REDMOOR ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

4. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
Music services income	-	-	-	3
Solar panel income	11	-	11	2
Headteacher support	6	-	6	-
Hire of facilities	4	-	4	5
Catering income	165	-	165	216
ipad income	36	-	36	30
Other income	16	-	16	5
	<u>238</u>	<u>-</u>	<u>238</u>	<u>261</u>

In 2015, total income from other trading activities of £261,000 was unrestricted income.

5. COSTS OF ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
iPad repair costs costs	3	-	3	4
Catering costs	67	-	67	105
Other expenditure	7	-	7	-
Catering salaries	101	-	101	109
	<u>178</u>	<u>-</u>	<u>178</u>	<u>218</u>

In 2015, total cost of activities for generating funds of £218,000 was from unrestricted funds.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

6. CHARITABLE ACTIVITIES

	Total funds 2016 £000	Total funds 2015 £000
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	1,622	1,370
National insurance	126	92
Pension cost	317	257
Depreciation	206	153
Educational supplies	24	16
Examination fees	3	3
Other direct costs	127	104
	2,425	1,995
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	534	440
National insurance	30	21
Pension cost	109	88
Pension finance cost (note 12)	39	37
Travel and subsistence	2	2
Maintenance of premises	317	203
Cleaning	6	5
Rent and rates	18	23
Energy costs	36	40
Insurance	6	43
Catering	31	-
Legal and professional	74	70
Other support costs	139	128
Governance costs	15	10
	1,356	1,110
	3,781	3,105

REDMOOR ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

7. EXPENDITURE

	Staff costs	Premises	Other costs	Total	Total
	2016	2016	2016	2016	2015
	£000	£000	£000	£000	£000
Expenditure on raising voluntary income	101	-	77	178	218
Activities:					
Direct costs	2,065	206	154	2,425	1,995
Support costs	712	377	267	1,356	1,110
	<u>2,878</u>	<u>583</u>	<u>498</u>	<u>3,959</u>	<u>3,323</u>

In 2016, of the total expenditure, £178,000 (2015 - £218,000) was from unrestricted funds and £3,781,000 (2015 - £3,087,000) was from restricted funds.

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016	2015
	£000	£000
Depreciation of tangible fixed assets:		
- owned by the charity	206	153
Loss on disposal of fixed assets	25	-
Auditor's remuneration - audit	11	9
Auditor's remuneration - other services	3	1
Internal audit costs	1	-
Operating lease rentals	36	25
	<u>36</u>	<u>25</u>

REDMOOR ACADEMY
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£000	£000
Wages and salaries	2,243	1,901
Social security costs	157	117
Operating costs of defined benefit pension schemes	439	352
	<hr/> 2,839	<hr/> 2,370
Supply teacher costs	-	2
Staff severance payment	-	5
Pension finance cost	39	37
	<hr/> 2,878 <hr/>	<hr/> 2,414 <hr/>

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

	2016	2015
	No.	No.
Teaching staff	48	34
Support staff	69	51
Management	7	5
	<hr/> 124 <hr/>	<hr/> 90 <hr/>

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

	2016	2015
	No.	No.
In the band £80,001 - £90,000	0	1
In the band £90,001 - £100,000	1	0

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2016, pension contributions for this staff member amounted to £14,675 (2015 - £12,422).

The Key Management Personnel of the Academy Trust comprise the Staff Trustees and the Senior Management Team. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £417,000 (2015 - £373,000).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

10. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees, The value of Trustees' remuneration and other benefits was as follows:

		2016	2015
		£000	£000
Andrew Coombs (Principal)	Remuneration	90-95	85-90
	Pension contributions paid	10-15	10-15
Mary Stanhope	Remuneration	30-35	-
	Pension contributions paid	5-10	-
John Duggins	Remuneration	25-30	-
	Pension contributions paid	0-5	-
Andrew Fortune	Remuneration	5-10	40-45
	Pension contributions paid	0-5	5-10
Lorraine Barnes	Remuneration	-	15-20
	Pension contributions paid	-	0-5

During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £3,000,000 on any one claim and the cost for the year ended 31 August 2016 was £634 (2015 - £1,243).

12. PENSION FINANCE COST

	2016	2015
	£000	£000
Interest income on pension scheme assets	45	36
Interest on pension scheme liabilities	(84)	(73)
	(39)	(37)

REDMOOR ACADEMY
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

13. TANGIBLE FIXED ASSETS

	Long leasehold property £000	Leasehold property improve- ments £000	Plant and machinery £000	Fixtures and fittings £000	Computer equipment £000	Total £000
Cost						
At 1 September 2015	6,632	691	34	28	158	7,543
Additions	-	137	-	14	26	177
Disposals	-	-	(6)	-	(32)	(38)
At 31 August 2016	6,632	828	28	42	152	7,682
Depreciation						
At 1 September 2015	358	19	21	6	54	458
Charge for the year	154	9	4	4	35	206
On disposals	-	-	(1)	-	(12)	(13)
At 31 August 2016	512	28	24	10	77	651
Net book value						
At 31 August 2016	6,120	800	4	32	75	7,031
At 31 August 2015	6,274	672	13	22	104	7,085

Included in long leasehold property is land valued at £1,402,400 on conversion in 2012 by Leicestershire County Council, using the depreciation replacement cost method. The freehold of this land and buildings is owned by Leicestershire County Council and the Academy Trust holds a 125 year lease.

14. DEBTORS

	2016 £000	2015 £000
Trade debtors	10	11
VAT recoverable	6	23
Other debtors	16	-
Prepayments and accrued income	61	133
	93	167

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NOTES TO THE FINANCIAL STATEMENTS
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15. CREDITORS: Amounts falling due within one year

	2016	2015
	£000	£000
Other loans	9	7
Trade creditors	1	12
Taxation and social security	50	39
Other creditors	63	62
Accruals and deferred income	173	106
	<u>296</u>	<u>226</u>
	2016	2015
	£000	£000
Deferred income		
Resources deferred during the year	5	-
	<u>5</u>	<u>-</u>

At the balance sheet date the Academy Trust was holding funds received in advance for rates funding.

16. CREDITORS:
Amounts falling due after more than one year

	2016	2015
	£000	£000
Other loans	17	23
	<u>17</u>	<u>23</u>
Included within the above are amounts falling due as follows:		
	2016	2015
	£000	£000
Between two and five years		
Other loans	17	23
	<u>17</u>	<u>23</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

17. STATEMENT OF FUNDS

	Brought forward £000	Income £000	Resources expended £000	Transfers in/(out) £000	Gains/ (losses) £000	Carried forward £000
Unrestricted funds						
General funds	-	247	(178)	-	-	69
Restricted funds						
General Annual Grant (GAG)	(118)	3,150	(2,863)	(93)	-	76
Other DfE/EFA grants	-	48	(48)	-	-	-
Pupil Premium	-	132	(130)	-	-	2
Capital grants	45	256	(142)	(45)	-	114
Other Local Authority income	-	93	(93)	-	-	-
Other income	-	189	(189)	-	-	-
Pension reserve	(1,023)	-	(85)	-	(300)	(1,408)
	<u>(1,096)</u>	<u>3,868</u>	<u>(3,550)</u>	<u>(138)</u>	<u>(300)</u>	<u>(1,216)</u>
Restricted fixed asset funds						
Restricted fixed asset fund	7,085	13	(231)	164	-	7,031
Salix Loans	-	-	-	(26)	-	(26)
	<u>7,085</u>	<u>13</u>	<u>(231)</u>	<u>138</u>	<u>-</u>	<u>7,005</u>
Total restricted funds	<u>5,989</u>	<u>3,881</u>	<u>(3,781)</u>	<u>-</u>	<u>(300)</u>	<u>5,789</u>
Total of funds	<u><u>5,989</u></u>	<u><u>4,128</u></u>	<u><u>(3,959)</u></u>	<u><u>-</u></u>	<u><u>(300)</u></u>	<u><u>5,858</u></u>

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

General Annual Grant (GAG)

Funds from the Education Funding Agency for the provision of education, in line with the funding agreement.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

17. STATEMENT OF FUNDS (continued)

Other DfE/EFA grants

Other funds provided by the DfE/EFA for particular purposes within the Academy's educational operations.

Pupil premium

Additional funds from the Education Funding Agency to support their disadvantaged pupils and close the attainment gap between them and their peers. This is allocated for every pupil who receives free school meals.

Capital grants

This consists of Devolved Formula Capital (DFC) and other capital funding from the Education Funding Agency. The DFC is to be used for ICT items, improvements to building and other facilities or capital repairs and refurbishments and minor works. Other capital grants are to be used as per the individual terms of the agreement and for the specific capital projects as applied for.

Other income

These consist of restricted income from all other sources to be used primarily for the Academy's educational operations.

Pension reserve

Being the fund in relation to the defined benefit pension scheme liability included in the balance sheet. The fund is in deficit given the nature of the liability, however, this is not payable immediately.

Restricted fixed asset fund

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion to an Academy from the Local Authority following the transfer of assets. It includes further amounts invested in fixed assets.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Restricted fixed asset funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
Tangible fixed assets	-	-	7,031	7,031	7,085
Current assets	69	479	-	548	176
Creditors due within one year	-	(287)	(9)	(296)	(226)
Creditors due in more than one year	-	-	(17)	(17)	(23)
Pension reserve	-	(1,408)	-	(1,408)	(1,023)
	<u>69</u>	<u>(1,216)</u>	<u>7,005</u>	<u>5,858</u>	<u>5,989</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016	2015
	£000	£000
Net income/(expenditure) for the year (as per Statement of financial activities)	169	(157)
Adjustment for:		
Depreciation charges	206	153
Loss on the sale of fixed assets	25	-
Decrease in debtors	74	102
Increase in creditors	68	175
Capital grants from DfE and other capital income	(269)	(68)
Defined benefit pension scheme cost less contributions payable	46	50
Defined benefit pension scheme finance cost	39	37
Net cash provided by operating activities	358	292

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016	2015
	£000	£000
Cash in hand	455	9
Debts due within one year	(9)	(7)
Debts falling due in over one year	(17)	(23)
Total	429	(21)

21. CAPITAL COMMITMENTS

At 31 August 2016 the Academy had capital commitments as follows:

	2016	2015
	£000	£000
Contracted for but not provided in these financial statements	-	-

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

22. PENSION COMMITMENTS

The Academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Leicestershire County Council. Both are Multi-Employer Defined Benefit Pension Schemes.

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

Contributions amounting to £47,669 were payable to the schemes at 31 August 2016 (2015 - £39,985) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The employer's pension costs paid to TPS in the period amounted to £202,000 (2015 - £164,000).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

22. PENSION COMMITMENTS (continued)

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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 assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £203,000 (2015 - £179,000), of which employer's contributions totalled £160,000 (2015 - £139,000) and employees' contributions totalled £43,000 (2015 - £40,000). The agreed contribution rates for future years are 21.7% for employers and 5.5% for employees.

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.

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.10 %	3.80 %
Rate of increase in salaries	3.10 %	4.60 %
Rate of increase for pensions in payment / inflation	2.10 %	2.70 %
Inflation assumption (CPI)	2.10 %	2.60 %

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions at 31 August 2016	Approximate % increase to Employer Liability	Approximate monetary amount (£000)
0.5% decrease in Real Discount Rate	14.00%	395
1 year increase in member life expectancy	3.00%	87
0.5% increase in Salary Increase Rate	5.00%	144
0.5% increase in the Pension Increase Rate	8.00%	239

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22. PENSION COMMITMENTS (continued)

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

	2016	2015
Retiring today		
Males	22.2	22.2
Females	24.3	24.3
Retiring in 20 years		
Males	24.2	24.2
Females	26.6	26.6

The Academy's share of the assets in the scheme was:

	Fair value at 31 August 2016 £000	Fair value at 31 August 2015 £000
Equities	1,081	723
Debt instruments	270	230
Property	135	121
Cash	15	22
Total market value of assets	1,501	1,096

The amounts recognised in the Statement of Financial Activities are as follows:

	2016 £000	2015 £000
Net interest cost	(39)	(37)
Current service cost	(206)	(189)
Total	(245)	(226)
Actual return on scheme assets	251	39

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

22. PENSION COMMITMENTS (continued)

Movements in the present value of the defined benefit obligation were as follows:

	2016	2015
	£000	£000
Opening defined benefit obligation	2,119	1,880
Current service cost	206	189
Interest cost	84	73
Contributions by employees	43	40
Actuarial losses/(gains)	506	(32)
Benefits paid	(49)	(31)
	<u>2,909</u>	<u>2,119</u>

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

	2016	2015
	£000	£000
Opening fair value of scheme assets	1,096	909
Interest income	45	36
Expected return on assets	206	3
Contributions by employer	160	139
Contributions by employees	43	40
Benefits paid	(49)	(31)
	<u>1,501</u>	<u>1,096</u>

The Academy expects to contribute £171,000 to its defined benefit pension scheme in 2017.

23. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2016	2015
	£000	£000
Amounts payable:		
Within 1 year	-	11
Between 1 and 5 years	88	58
	<u>88</u>	<u>69</u>
Total	<u>88</u>	<u>69</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

24. RELATED PARTY TRANSACTIONS

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

No related party transactions took place during the year.

25. CONTROLLING PARTY

The Academy is ultimately controlled by the Board of Trustees, which includes the Principal and Vice Principals.

26. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of 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.

27. COMPANY LIMITED BY GUARANTEE

The Academy Trust is a company limited by guarantee and does not have share capital.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

28. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Comparative figures have been restated to reflect the adjustments made, except to the extent that the Trustees have taken advantage of exemptions to retrospective application of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS'.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014 £000	31 August 2015 £000
Total funds under previous UK GAAP		6,111	5,989
Total funds reported under FRS 102		<u>6,111</u>	<u>5,989</u>

Reconciliation of net (expenditure)	Notes	31 August 2015 £000
Net (expenditure) previously reported under UK GAAP		(139)
Defined benefit pension scheme finance cost	A	(18)
Net (expenditure) in funds reported under FRS 102		<u>(157)</u>

Explanation of changes to previously reported funds and net income/expenditure:

A - Change in recognition of LGPS interest cost

Under previous UK GAAP the Academy Trust accounted for an expected return on plan assets. FRS102 requires the expected return on scheme assets to be analysed between two components; interest income on plan assets and other actuarial gains on plan assets.

Under FRS102 the latter component of the expected return on scheme assets, other actuarial gains, is reported within actuarial gains and losses in the Statement of Financial Activities rather than being accounted for in arriving at net income or expenditure for the year, as it was under previous UK GAAP.

The effect of the change has been to reduce reported net income for the year. Actuarial losses for the year have decreased correspondingly. Net movement in funds reported in the year is unchanged.