

Registered number: 07825856

**SOUTHEND EAST COMMUNITY ACADEMY TRUST
(FORMERLY SHOEBURYNESSE HIGH SCHOOL)**

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

**SOUTHEND EAST COMMUNITY ACADEMY TRUST
(FORMERLY SHOEBURYNESS HIGH SCHOOL)
(A Company Limited
by Guarantee)**

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**SOUTHEND EAST COMMUNITY ACADEMY TRUST
(FORMERLY SHOEBOURNESS HIGH SCHOOL)**

**(A Company Limited
by Guarantee)**

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

Members	Mr R Knight Mr M Schofield Mr D Andrews
Trustees	Mr R Knight, Chairman, Community Mr M Schofield, Headteacher Mr D Andrews, Community (resigned 31 August 2016) Mr M Sweeting, Vice Chair, Community Mr S Bailey, Staff (resigned 31 August 2016) Mrs D Brazier, Community (resigned 31 August 2016) Miss D Burgess, Staff (resigned 31 August 2016) Ms A Dalton, Local authority (resigned 31 August 2016) Mr S Goodall, Community Ms C Gostling, Community Mrs J Holdsworth, Parent (resigned 31 August 2016) Mr E Lee, Parent (resigned 28 September 2015) Mr P Heron, Staff (resigned 31 August 2016) Mrs M Palles-Clark, Parent (resigned 31 August 2016) Mr D Parker, Community Mrs L Rudd, Staff (resigned 31 August 2016) Mr S Tollworthy, Community (resigned 31 August 2016) Mr R Waelend, Community (resigned 31 August 2016) Ms L Burnett, Parent (resigned 12 February 2016)
Company registered number	07825856
Company name	Southend East Community Academy Trust (Formerly Shoeburyness High School)
Principal and registered office	Caulfield Road Shoeburyness Essex SS3 9LL
Company Secretary	Mrs K Hodgson
Chief Executive Officer	Mr M Schofield
Senior Leadership Team	Mr M Schofield, Headteacher Mr H Williams, Deputy Headteacher Dr F Haddock, Deputy Headteacher Miss K Lambert, Assistant Headteacher Mrs C Costello, Assistant Headteacher Mr W Peel, Assistant Headteacher Mrs W Walden, Assistant Headteacher Ms S Carrington, Assistant Headteacher
Independent Auditors	Price Bailey LLP Chartered Accountants Statutory Auditors Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT

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

Advisers (continued)

Bankers

Lloyds Bank Plc
77 High Street
Southend
SS11HT

**SOUTHEND EAST COMMUNITY ACADEMY TRUST
(FORMERLY SHOEBURYNESS HIGH SCHOOL)**

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016**

The Trustees present their Annual Report together with the financial statements and Auditor's Report of Southend East Community Academy Trust (formerly Shoeburyness High School) (the Trust, the Academy or 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 School for pupils aged 11-18 serving a catchment area in Shoeburyness. It has a pupil capacity of 1604 and had a roll of 1707 in the 2016 school census.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of the Charitable Company are also the Directors for the purposes of company law. The terms Trustee, Director and Governor are interchangeable. The Charitable Company is also known as Shoeburyness High School (the School).

Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

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 and Officers' Indemnities

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 £10,000,000 on any one claim and details of the costs are disclosed in Note 11 to the accounts.

Method of Recruitment and Appointment or Election of Trustees

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term of four years. The Headteacher is an ex officio member of the Governing Body. Parent Trustees and Staff Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. Suitable procedures have been put in place for the conduct of these elections. Community Governors are interviewed and appointed based on their personal competence and the professional skills they would bring to the Governing Body. The Local Authority Governor is appointed by Southend Borough Council. The Articles of Association make provision for 20 Trustees (5 Parents, 2 Staff – Teaching, 2 Staff non-teaching, 9 community governors, 1 local authority plus the Headteacher).

Policies and Procedures Adopted for the Induction and Training of Trustees

The Charitable Company is committed to providing adequate opportunities for Trustees to undertake and receive suitable training so as to enable them to perform their role effectively. All new Trustees meet with the Chair of Trustees and the Headteacher to receive an introduction to their role. This introduction includes a tour of the School site and new Trustees are provided with a pack of key documents, publications, past minutes and other information about the School.

New Trustees are expected to attend induction training provided by Southend Governor Services and to regularly attend training to update their skills and knowledge on a wide range of topics.

The Trust also provides an internal programme of training led by School staff and subscribes to external online training.

There is a nominated Link Trustee who helps Trustees identify their training and learning needs and makes them aware of the courses available.

**SOUTHEND EAST COMMUNITY ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Organisational Structure

The governance of the Academy is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees, which meets on at least 6 occasions per year and is supported by each individual committee meets at least 3 times per year, is responsible for the strategic direction of the Academy. The Board reviews progress towards educational objectives and results; approves major expenditure requests; sets the budget for the following year; sets the organisational staffing structure; agrees the performance objectives of the Headteacher with the School Improvement Partner, and reviews them.

The Headteacher is the designated Accounting Officer of the Academy and has overall responsibility for the day to day financial management of the Charitable Company. The Headteacher has delegated responsibility for low values of expenditure to specific budget holders who are responsible for managing their own departments within their allocated budgets. A system of financial controls is in place to manage this process.

The Headteacher manages the Academy on a daily basis supported by a Senior Leadership Team (SLT). The SLT meets frequently to discuss emerging matters and to help to develop strategies for future development to be put to the Headteacher and the Board of Trustees as required for approval. Each member of the SLT has specific responsibilities to assist the Headteacher to manage certain aspects of the Academy.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Key management personnel include Academy Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the school group size, individual salary range, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to key management's pay and remuneration is approved by the Trustees Salaries and Personnel Committee.

Related Parties and other Connected Charities and Organisations

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which members of the Board may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Trust cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- The Shoeburyness Educational Partnership;
- Shoeburyness High School Community Projects; and
- Icelandic Education Authority.

The Trust does not have a formal sponsor.

**SOUTHEND EAST COMMUNITY ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The principal object and aim of the Charitable Company is the operation of the School to provide free education and care for pupils of different abilities between the ages of 11 and 18.

Objectives, Strategies and Activities

During the year the School has worked towards these aims by:

- ensuring that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- raising the standard of educational achievement of all pupils;
- improving the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended;
- complying with all appropriate statutory and curriculum requirements; and
- conducting the Academy's business in accordance with the highest standards of integrity.

Our success in fulfilling our aims can be measured by:

- the record breaking examination results in terms of attainment and progress;
- the popularity of the School which is oversubscribed in every year group; and
- the number of students now going on to university including Russell Group universities.

Public Benefit

The Trustees believe that by working towards the objects and aims of the School as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

Achievements and Performance

The Trust continued its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left the School.

Specific achievements were as follows:

- Record breaking results at GCSE including:
 - English A*-C 78% against national of 60.2%;
 - Maths A*-C 70% against national of 61%;
 - Science A*-C 75% against national of 62.3%; and
 - four students at GCSE also achieved the highest attainment and progress results.
- In terms of groups in the basic measure (English & Maths combine A*-C):
 - boys above national and improved by 13%;
 - disadvantaged above national and improved by 8%;
 - middle and lower bands above national and up by 10%; and
 - higher band very close to national.
- A Level results showed students getting a 98% pass rate.
- Attendance is up and above national.
- The School continues to achieve sporting success winning cups in Rugby League, Basketball and Football. It also has students representing the School at national level, in Football, Athletics, Diving, Swimming and Basketball.
- The School's Performing Arts yet again won the Best Youth Production in the South East.
- All students at Shoeburyness have two weeks' work experience in Year 10. An independent careers advisor works across the School with all year groups 11-18.
- The School has formed a Multi Academy Trust (MAT) with some of its main feeder schools, Bournes Green Infants School, Hinguar Primary School and Thorpedene Primary School, which will start on 1st September 2016.
- The School is fully staffed and continues to train new staff in association with the Southend SCITT.
- The School continues to host the School Sports Partnership (SSP) and offers an extended schools service.
- The School is financially sound and has an in-year balanced budget with reserves to cover emergencies.
- The School is heavily over-subscribed with all year groups being over number and with waiting lists. In year 7, the school took 303 instead of 280.

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

Key Performance Indicators

The Trustees receive regular information at each committee meeting to enable them to monitor the performance of the School compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2016 were 1707 against a forecast of 1687.

Another key financial performance indicator is staffing costs as a percentage of total income. For 2015/16 this was 79%. The Board of Trustees is confident that staffing levels are closely monitored to agreed Full Time Equivalent and staffing structures all approved by the Board.

The Finance and Premises Committee also monitor premises costs to General Annual Grant (GAG) income, capitation spend for curriculum departments to GAG income, total income less grants and cash flow on a regular basis to ensure that the budget is set and managed appropriately. All of the above KPI's were within the parameters set by the Board.

Going Concern

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

FINANCIAL REVIEW

The principal source of funding for the Trust is the GAG and other grants that it receives from the Education Funding agency (EFA). For the year ended 31 August 2016 the Trust received £10,161,274 of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Academy's primary objective of the provision of education. During the year the Trust spent £11,481,673 on expenditure and transferred £161,120 to support capital new build and improvement projects on the School site. The Academy brought forward from 14/15, £19,301 restricted funds and £1,351,778 unrestricted funding. The carry forward for 15/16 is £26,087 restricted funding and £1,411,526 unrestricted funding.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Academy is recognising a significant pension fund deficit of £5,341,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

Reserves Policy

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the monthly reports from the Bursar. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £1,411,526. This has been built up from a mixture of locally raised income and balances transferred from the predecessor school.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2016 was £1,437,613.

The cash balance of the Academy has been very healthy all year, ending the year with a balance of £2,337,743. A significant proportion of this cash is held against specific projects and is not available to meet normal recurring expenditure.

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

Investment Policy

Investment Policy is covered in the School's Financial Regulations, approved by the Finance, Premises and Audit Committee and ratified by the Board of Trustees.

The aim of the policy is to ensure funds that the Academy does not immediately need to cover anticipated expenditure are invested to maximise the Academy's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

Principal Risks and Uncertainties

The Trustees maintain a risk register identifying the major risks to which the Academy is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk register process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Finance, Premises & Audit Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academy at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the EFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy school, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

The Trustees assess the other principal risks and uncertainties facing the Trust as follows:

- the Academy has considerable reliance on continued Government funding through the EFA and there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms;
- failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks;
- reputational - the continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student progress and outcomes are closely monitored and reviewed;
- safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline;
- staffing - the success of the Academy is reliant on the quality of its staff and the Trustees monitor and review policies and procedures and recruitment to ensure continued development and training of staff as well as ensuring there is clear succession planning;
- fraud and mismanagement of funds - The Academy has appointed an Internal Auditor to carry out independent and external checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep up to date with financial practice requirements and develop their skills in this area;
- financial instruments – the Academy only deals with bank balances, cash and trade creditors, with limited trade (and other) debtors. The risk in this area is considered to be low; and
- defined benefit pension liability – as the Government has agreed to meet the defined benefit pension liability of any school ceasing to exist the main risk to the Academy is an annual cash flow funding of part of the deficit. Trustees take these payments into account when setting the annual budget plan.

The Academy has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness.

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

Plans for Future Periods

There is particular focus on the following for 2016/17:

- to develop the work of the Multi Academy Trust (MAT);
- to develop the curriculum and staff training to develop resilience and enquiry and support awareness of high profile issues such as PREVENT, FGM and internet safety strategies;
- to extend the Individual Challenge Plan programme to support and challenge the increasing number of high ability students; and
- to ensure rich and sophisticated learning activities used to accelerate progress; particularly of selective stream, AMA and ICP programmes.

Funds Held as Custodian Trustee on Behalf of Others

During the 12 month period from 1st September 2015 to 31st August 2016, the School did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

Auditor

Insofar 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.

The Trustees' Report, incorporating a Strategic Report, was approved by the Board of Trustees on and signed on the Board's behalf by:

Mr R Knight
Chair of Trustees

**SOUTHEND EAST COMMUNITY ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Southend East Community Academy Trust (Formerly Shoeburyness High School) 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 Headteacher, 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 Southend East Community Academy Trust (Formerly Shoeburyness High School) 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 7 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
Mr R Knight	7	7
Mr M Schofield	7	7
Mr D Andrews	4	7
Mr M Sweeting	7	7
Mr S Bailey	6	7
Mrs D Brazier	0	7
Miss D Burgess	4	7
Ms A Dalton	4	7
Mr S Goodall	7	7
Ms C Gostling	4	7
Mrs J Holdsworth	3	7
Mr E Lee	0	0
Mr P Heron	0	0
Mrs M Palles-Clark	6	7
Mr D Parker	7	7
Mrs L Rudd	7	7
Mr S Tollworthy	3	7
Mr R Waelend	6	7
Ms L Burnett	5	7

The key change in the year was agreeing to form a multi-academy trust.

A self-evaluation review was carried out in September 2015. The report concluded that the Governing Body was highly effective and contributes significantly to the success of the School. It has capacity to be outstanding. The key action was to align visits to the School Improvement Plan which has seen learning walks of classes introduced on a more regular and focused timing. It has looked this year, for example, at the use of Bloom's Taxonomy. There has been a tightening up on the roles regarding Safeguarding to prevent it being too fragmented and Governors now attend all Parents' Evenings to capture the views of parents and students.

The next Review of Governance will come from internal reviews carried out by the schools now in the Multi Academy Trust (MAT).

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GOVERNANCE STATEMENT (continued)

The Finance and Premises Committee is a sub-committee of the main Board of Trustees. Its purpose is to be responsible for the management of financial operations and premises related matters within the Academy, as set down in the terms of reference for the Finance and Premises Committee and within the Financial Regulations and Scheme of Delegation for the Academy.

During the year the Audit Committee remit was added to the term of reference of the Finance and Premises Committee in March 2015 to simplify arrangements as allowed by the Academies Financial Handbook.

The committee met three times during the year.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr D Andrews	2	3
Miss D Burgess	3	3
Mr S Goodall	3	3
Mr P Heron	2	3
Mr R Knight	3	3
Mr D Parker	3	3
Mr M Schofield	3	3
Mr M Sweeting	3	3
Mr R Waelend	2	3
Ms C Gostling	3	3

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Headteacher has responsibility for ensuring that the Academy 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's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Academy has delivered improved value for money during the year by:

Increasing the examination results in the following areas:

- English is 78% - up 17% on last year and 17.8% above national.
- Maths is 70% - up 9% on last year and 9% above national.
- Science is 75% - up 11% on last year and 12.7% above national.
- Progress 8 is at national.
- Attainment 8 is above national 48.77 versus 47.8.
- Attendance is up and above national.
- At A Level the pass rate is up and success and retention rates are above national.
- Over 50% of the Year 11 cohort now go on to university.

In terms of staffing the School has reduced its staffing to match a changing curriculum and this has resulted in savings which have contributed to the Academy presenting a balanced budget. The increased results for the Trust confirm that these savings have not impacted on results and therefore increase value for money.

The Academy continues to use its in-house maintenance, building and ICT teams to develop the site making savings on contractors' costs.

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 ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 Southend East Community Academy Trust (Formerly Shoeburyness High School) for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the Annual Report and financial statements.

SOUTHEND EAST COMMUNITY
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GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy 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 ongoing process for identifying, evaluating and managing the Academy's significant risks, that has been in place for the year 1 September 2015 to 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.

THE RISK AND CONTROL FRAMEWORK

The Academy'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 Premises Committee and the Audit 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 appoint Mr Keith Norman as Internal Auditor.

The Internal Auditor's role includes giving advice on financial matters and performing a range of checks on the Academy's financial systems. On a semi-annual basis, the Internal Auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The checks carried out by the Internal Auditor include:

- Examination of the Internal Management of Salary Changes
- Examination of the Internal Financial Management of the School Sports Co-ordinator Programme

The Internal Auditor has delivered their schedule of work as planned and no material control issues were identified.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Headteacher 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;
- the work of the external Auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the Academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by the Board of Trustees on

and signed on their behalf, by:

Mr R Knight
Chair of Trustees

Mr M Schofield
Accounting Officer

**SOUTHEND EAST COMMUNITY
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Southend East Community Academy Trust (Formerly Shoeburyness High School) I have considered my responsibility to notify the Board of Trustees and the Education Funding Agency (EFA) 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 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.

**Mr M Schofield
Accounting Officer**

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

The Trustees (who act as Governors of Shoeburynness High School and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with the Annual Accounts Requirements issued by the Education Funding Agency, United Kingdom Accounting Standards (UKGAAP) 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; and
- 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 the Board of Trustees on _____ and signed on its behalf by:

Mr R Knight
Chair of Trustees

**SOUTHEND EAST COMMUNITY
ACADEMY TRUST (FORMERLY SHOEBURYNESS HIGH SCHOOL)
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SOUTHEND EAST COMMUNITY ACADEMY TRUST (FORMERLY SHOEBURYNESS HIGH SCHOOL)**

We have audited the financial statements of Southend East Community Academy Trust (Formerly Shoeburyness High School) 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 Members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Academy's Members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy and its Members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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 Academy'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.

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.

**SOUTHEND EAST COMMUNITY
ACADEMY TRUST (FORMERLY SHOEBURYNESS HIGH SCHOOL)
(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
SOUTHEND EAST COMMUNITY ACADEMY TRUST (FORMERLY SHOEBURYNESS HIGH SCHOOL)**

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.

Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT
Date:

**SOUTHEND EAST COMMUNITY
ACADEMY TRUST (FORMERLY SHOEBURYNESS HIGH SCHOOL)
(A Company Limited by Guarantee)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SOUTHEND
EAST COMMUNITY ACADEMY TRUST (FORMERLY SHOEBURYNESS HIGH SCHOOL) AND THE
EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 30 January 2013 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 Southend East Community Academy Trust (Formerly Shoeburyness High School) during the year 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 Southend East Community Academy Trust (Formerly Shoeburyness High School) and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Southend East Community Academy Trust (Formerly Shoeburyness High School) 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 Southend East Community Academy Trust (Formerly Shoeburyness High School) and the EFA, for our work, for this Report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF SOUTHEND EAST COMMUNITY ACADEMY TRUST (FORMERLY SHOEBURYNESS HIGH SCHOOL)'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Southend East Community Academy Trust (Formerly Shoeburyness High School)'s funding agreement with the Secretary of State for Education dated 11 July 2011, 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 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 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.

The work undertaken to draw to our conclusion includes:

- Consideration and corroboration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO SOUTHEND
EAST COMMUNITY ACADEMY TRUST (FORMERLY SHOEburyNESS HIGH SCHOOL) 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 year 1 September 2015 to 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.

Reporting Accountant

Price Bailey LLP

Chartered Accountants

Date:

SOUTHEND EAST COMMUNITY
ACADEMY TRUST (FORMERLY SHOEBURYNESSE HIGH SCHOOL)
(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 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	64,275	143,039	33,976	241,290	228,522
Charitable activities	3	-	10,127,298	-	10,127,298	10,102,686
Other trading activities	4	299,790	160,564	-	460,354	604,547
Investments	5	12,124	-	-	12,124	6,419
TOTAL INCOME		376,189	10,430,901	33,976	10,841,066	10,942,174
EXPENDITURE ON:						
Charitable activities		155,321	10,578,115	748,237	11,481,673	11,606,061
TOTAL EXPENDITURE	6	155,321	10,578,115	748,237	11,481,673	11,606,061
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between funds	15	220,868 (161,120)	(147,214) -	(714,261) 161,120	(640,607) -	(663,887) -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
Actuarial gains/(losses) on defined benefit pension schemes	20	59,748 -	(147,214) (1,844,000)	(553,141) -	(640,607) (1,844,000)	(663,887) 115,000
NET MOVEMENT IN FUNDS		59,748	(1,991,214)	(553,141)	(2,484,607)	(548,887)
RECONCILIATION OF FUNDS:						
Total funds brought forward		1,351,778	(3,323,699)	15,349,568	13,377,647	13,926,534
TOTAL FUNDS CARRIED FORWARD		1,411,526	(5,314,913)	14,796,427	10,893,040	13,377,647

**SOUTHEND EAST COMMUNITY
ACADEMY TRUST (FORMERLY SHOEBURYNNESS HIGH SCHOOL)**

**(A Company Limited by Guarantee)
REGISTERED NUMBER: 07825856**

**BALANCE SHEET
AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	12		14,796,427		15,329,133
CURRENT ASSETS					
Debtors	13	81,818		111,650	
Cash at bank and in hand		2,337,743		2,244,795	
			2,419,561		2,356,445
CREDITORS: amounts falling due within one year	14	(981,948)		(964,931)	
NET CURRENT ASSETS			1,437,613		1,391,514
TOTAL ASSETS LESS CURRENT LIABILITIES			16,234,040		16,720,647
Defined benefit pension scheme liability	20		(5,341,000)		(3,343,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			10,893,040		13,377,647
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	15	26,087		19,301	
Restricted fixed asset funds	15	14,796,427		15,349,568	
Restricted income funds excluding pension liability		14,822,514		15,368,869	
Pension reserve		(5,341,000)		(3,343,000)	
Total restricted income funds			9,481,514		12,025,869
Unrestricted income funds	15		1,411,526		1,351,778
TOTAL FUNDS			10,893,040		13,377,647

The financial statements were approved by the Trustees, and authorised for issue, on
are signed on their behalf, by:

and

Mr R Knight
Chair of Trustees

The notes on pages 21 to 37 form part of these financial statements.

**SOUTHEND EAST COMMUNITY
ACADEMY TRUST (FORMERLY SHOEBURYNNESS HIGH SCHOOL)
(A Company Limited by Guarantee)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	17	241,944	301,941
Returns on investments servicing of finance and interest			
Interest received		12,124	6,419
Purchase of tangible fixed assets		(161,120)	(321,807)
Net cash used in investing activities		(148,996)	(315,388)
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		92,948	(13,447)
		2,244,795	2,258,242
Cash and cash equivalents carried forward		2,337,743	2,244,795

**SOUTHEND EAST COMMUNITY
ACADEMY TRUST (FORMERLY SHOEBURYNNESS HIGH SCHOOL)
(A Company Limited by Guarantee)**

**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.

Southend East Community Academy Trust (Formerly Shoeburyness High School) constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of Southend East Community Academy Trust (Formerly Shoeburyness High School) 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 Southend East Community Academy Trust (Formerly Shoeburyness High School) 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 23.

1.2 Company status

The Academy is a company limited by guarantee. The Members of the company who are Trustees are named on page 1. In the event of the Academy being wound up, the liability in respect of the guarantee is limited to £10 per Member of the Academy.

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 DfE.

SOUTHEND EAST COMMUNITY
ACADEMY TRUST (FORMERLY SHOEBURYNNESS HIGH SCHOOL)
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

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 Incorporating Income and Expenditure Account 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 entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities Incorporating Income and Expenditure Account 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.

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.

Charitable activities and governance costs 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.

All resources expended are inclusive of irrecoverable VAT.

1.6 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..

**SOUTHEND EAST COMMUNITY
ACADEMY TRUST (FORMERLY SHOEBURYNNESS HIGH SCHOOL)
(A Company Limited by Guarantee)**

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

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

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 Incorporating Income and Expenditure Account 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 Incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. 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:

Leasehold Land	-	straight line over the life of the lease
Leasehold Buildings	-	straight line over 26 years
Motor vehicles	-	10 years straight line
Computer equipment	-	5 years straight line
Furniture and Equipment	-	10 years straight line

1.8 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.

1.9 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.

1.10 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.

1.11 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 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 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.

SOUTHEND EAST COMMUNITY
ACADEMY TRUST (FORMERLY SHOEBURYNNESS HIGH SCHOOL)
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.12 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 20, 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.

1.13 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 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 20, 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.

**SOUTHEND EAST COMMUNITY
ACADEMY TRUST (FORMERLY SHOEBURYNESSE HIGH SCHOOL)
(A Company Limited by Guarantee)**

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

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	64,275	119,239	-	183,514	171,224
Grants	-	23,800	-	23,800	23,800
Capital grants	-	-	33,976	33,976	33,498
	<u>64,275</u>	<u>143,039</u>	<u>33,976</u>	<u>241,290</u>	<u>228,522</u>
Total donations and capital grants	<u>64,275</u>	<u>143,039</u>	<u>33,976</u>	<u>241,290</u>	<u>228,522</u>

In 2015, of the total income from donations and capital grants, £67,634 was to unrestricted funds and £160,888 was to restricted funds

3. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants			
General Annual Grant (GAG)	9,192,718	9,192,718	9,183,206
Other DfE / EFA grants	684,745	684,745	643,139
	<u>9,877,463</u>	<u>9,877,463</u>	<u>9,826,345</u>
Other government grants			
Local Authority grants	249,835	249,835	276,341
	<u>249,835</u>	<u>249,835</u>	<u>276,341</u>
	<u>10,127,298</u>	<u>10,127,298</u>	<u>10,102,686</u>

In 2015, of the total income from charitable activities, £ NIL was to unrestricted funds and £10,102,686 was to restricted funds.

**SOUTHEND EAST COMMUNITY
ACADEMY TRUST (FORMERLY SHOEBURYNESSE HIGH SCHOOL)
(A Company Limited by Guarantee)**

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

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Hire of facilities	35,335	-	35,335	29,743
Extended schools	28,366	-	28,366	23,773
Sports activities	-	89,231	89,231	94,446
Music fees	17,802	-	17,802	18,085
Other income	3,280	71,333	74,613	260,968
Catering income	215,007	-	215,007	177,532
	<u>299,790</u>	<u>160,564</u>	<u>460,354</u>	<u>604,547</u>

In 2015, of the total income from other trading activities, £312,226 was to unrestricted funds and £292,321 was to restricted funds.

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest	12,124	12,124	6,419
	<u>12,124</u>	<u>12,124</u>	<u>6,419</u>

In 2015, of the total investment income, £6,419 was to unrestricted funds and £ NIL was to restricted funds.

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	As restated Total 2015 £
Provision of Education:					
Direct costs	7,391,891	-	823,018	8,214,909	8,339,105
Support costs	1,195,005	765,733	1,306,026	3,266,764	3,266,956
	<u>8,586,896</u>	<u>765,733</u>	<u>2,129,044</u>	<u>11,481,673</u>	<u>11,606,061</u>

In 2016, of the total expenditure, £165,931 (2015 - £110,058) was to unrestricted funds and £11,315,742 (2015 - £11,496,003) was to restricted funds.

**SOUTHEND EAST COMMUNITY
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7. CHARITABLE ACTIVITIES

	2016 £	As restated 2015 £
Direct costs	8,214,909	8,339,105
Support costs	3,266,764	3,266,956
Total	11,481,673	11,606,061

Analysis of support costs	2016 £	2015 £
Support staff costs	1,195,005	1,185,687
Depreciation	689,104	713,423
Technology	31,821	29,387
Premises costs	765,733	743,713
Other support costs	576,201	585,846
Governance	8,900	8,900
Total	3,266,764	3,266,956

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets: - owned or leased by the Academy Trust	689,104	713,423
Auditors' remuneration - audit	6,750	6,500
Auditors' remuneration - other services	2,150	2,400

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9. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	6,947,382	7,152,494
Social security costs	586,175	532,345
Other pension costs	1,053,339	1,001,368
	<u>8,586,896</u>	<u>8,686,207</u>

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

	2016 No.	2015 No.
Teachers	131	140
Administration and support	109	99
Management	4	4
	<u>244</u>	<u>243</u>

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

	2016 No.	2015 No.
In the band £ 60,001 - £ 70,000	5	2
In the band £ 70,001 - £ 80,000	2	2
In the band £ 90,001 - £100,000	1	0
In the band £100,001 - £110,000	0	1

The key management personnel of the Academy Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £653,566 (2015: £645,781).

**NOTES TO THE FINANCIAL STATEMENTS
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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 Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and 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:

M Schofield (Headteacher)

Remuneration £95,000-£100,000 (2015: £105,000-£110,000)

Employer's Pension contribution paid £15,000-£20,000 (2015: £10,000-£15,000)

S Bailey

Remuneration £20,000-£25,000 (2015: £10,000-£15,000)

Employer's Pension contribution paid £0-£5,000 (2015: £0-£5,000)

D Burgess

Remuneration £20,000-£25,000 (2015: £20,000-£25,000)

Employer's Pension contribution paid £Nil (2015: £Nil)

P Heron

Remuneration £45,000-£50,000 (2015: £45,000-£50,000)

Employer's Pension contribution paid £5,000-£10,000 (2015: 5,000-£10,000)

L Rudd

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

Employer's Pension contribution paid £5,000-£10,000 (2015: £5,000-£10,000)

During the period 31 August 2016, no Trustees received any reimbursement of expenses for their role as Trustees (2015: £NIL).

Other related party transactions involving the Trustees are set out in note 22.

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust 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 £1,000,000 on any one claim and the cost for the year ended 31 August 2016 was included in the total insurance cost.

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12. TANGIBLE FIXED ASSETS

	Leasehold property £	Motor vehicles £	Furniture and equipment £	Total £
Cost				
At 1 September 2015	17,195,386	37,278	1,099,928	18,332,592
Additions	22,140	-	138,980	161,120
Disposals	-	-	(6,900)	(6,900)
At 31 August 2016	17,217,526	37,278	1,232,008	18,486,812
Depreciation				
At 1 September 2015	2,231,842	16,954	754,663	3,003,459
Charge for the year	588,349	3,518	97,237	689,104
On disposals	-	-	(2,178)	(2,178)
At 31 August 2016	2,820,191	20,472	849,722	3,690,385
Net book value				
At 31 August 2016	14,397,335	16,806	382,286	14,796,427
At 31 August 2015	14,963,544	20,324	345,265	15,329,133

13. DEBTORS

	2016 £	2015 £
VAT recoverable	43,629	53,174
Other debtors	10,507	25,755
Prepayments and accrued income	27,682	32,721
	81,818	111,650

14. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	-	(309)
Other creditors	954,075	917,694
Accruals and deferred income	27,873	47,546
	981,948	964,931

	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	47,546	48,662
Resources deferred during the year	27,873	47,546
Amounts released from previous years	(47,546)	(48,662)
Deferred income at 31 August 2016	27,873	47,546

The deferred income in the year relates mainly to EFA rates relief income for the 2016/17 academic year.

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15. STATEMENT OF FUNDS

	Brought forward £	Income £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
Unrestricted funds						
Unrestricted funds	1,351,778	376,189	(155,321)	(161,120)	-	1,411,526
Restricted funds						
General Annual Grant (GAG)	-	9,192,718	(9,192,718)	-	-	-
Pupil premium	-	596,613	(596,613)	-	-	-
SEN	-	144,284	(144,284)	-	-	-
Other DfE/EFA grants	-	127,252	(127,252)	-	-	-
Other government grants	-	66,431	(66,431)	-	-	-
Educational visits	19,301	115,087	(108,301)	-	-	26,087
SSCO	-	89,231	(89,231)	-	-	-
Other restricted funds	-	99,285	(99,285)	-	-	-
Pension reserve	(3,343,000)	-	(154,000)	-	(1,844,000)	(5,341,000)
	(3,323,699)	10,430,901	(10,578,115)	-	(1,844,000)	(5,314,913)
Restricted fixed asset funds						
Restricted fixed assets	15,329,133	-	(693,826)	161,120	-	14,796,427
DFC	20,435	33,976	(54,411)	-	-	-
	15,349,568	33,976	(748,237)	161,120	-	14,796,427
Total restricted funds	12,025,869	10,464,877	(11,326,352)	161,120	(1,844,000)	9,481,514
Total of funds	13,377,647	10,841,066	(11,481,673)	-	(1,844,000)	10,893,040

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15. STATEMENT OF FUNDS (continued)

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

General Annual Grant (GAG)

This represents funding from the EFA to cover the costs of recurrent expenditure.

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.

Pupil Premium

This funding is to be used to raise achievement and improve outcomes for pupils from low-income families who are eligible for free school meals.

Special Educational Needs (SEN)

This represents allocated funding for special educational needs pupils.

Other DfE/EFA Grants

The Other DfE/EFA fund has been created to recognise the restricted grant funding received from the DfE/EFA which fall outside the scope of core funding.

Other Government Grants

These represent other grants from local and national government bodies.

Educational visits

This represents contributions made by parents to the running of educational visits for the pupils of the School and the associated costs of running the visits.

Other restricted funds

This represents income received from additional bodies for a specific purpose.

Pension reserve

This fund represents the School's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the school on conversion from a state controlled school.

Restricted Fixed Asset Funds

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the DfE where the asset acquired or created is held for a specific purpose. The transfer in of £116,120 represents the costs of assets acquired in the year which have been funded by unrestricted funds.

Devolved Formula Capital (DFC) fund

The School is to use the DFC allocation to maintain and improve its buildings and facilities.

SSCO

This represents funding towards the cost of employing an SSCO and specific activities arranged by them.

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16. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	-	-	15,329,133
Current assets	1,411,526	1,008,035	14,796,427	14,796,427	-
Creditors due within one year	-	(981,948)	-	(981,948)	2,356,445
Provisions for liabilities and charges	-	(5,341,000)	-	(5,341,000)	(964,931)
	<u>1,411,526</u>	<u>(5,314,913)</u>	<u>14,796,427</u>	<u>10,893,040</u>	<u>13,377,647</u>

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

	2016 £	2015 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	(640,607)	(663,887)
Adjustment for:		
Depreciation charges	689,104	713,423
Interest received	(12,124)	(6,419)
Decrease in debtors	29,832	102,412
Increase/(decrease) in creditors	17,017	(29,658)
Pension adjustment	154,000	182,000
Deficit on disposal of tangible fixed assets	4,722	4,070
Net cash provided by operating activities	<u>241,944</u>	<u>301,941</u>

18. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	2,337,743	2,244,795
Total	<u>2,337,743</u>	<u>2,244,795</u>

19. 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/she is a Member, or within one year after he/she ceases to be a Member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a Member.

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20. 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 Essex 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.

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.

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; and
- 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 £693,740 (2015 - £614,968).

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.

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20. PENSION COMMITMENTS (continued)

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 £417,000 (2015 - £404,000), of which employer's contributions totalled £334,000 (2015 - £318,000) and employees' contributions totalled £83,000 (2015 - £86,000). The agreed contribution rates for future years are 12.3% for employers and between 5.5% and 6.5% 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 at the balance sheet date (expressed as weighted averages):

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Expected return on scheme assets at 31 August	- %	5.30 %
Rate of increase in salaries	4.10 %	4.40 %
Rate of increase for pensions in payment / inflation	2.30 %	2.60 %
Inflation assumption (CPI)	2.30 %	2.60 %
Inflation assumption (RPI)	3.20 %	3.50 %

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	22.9	22.8
Females	25.3	25.2
Retiring in 20 years		
Males	25.2	25.1
Females	27.7	27.6

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	1,472,000	1,019,000
Debt instruments	173,000	216,000
Other managed funds	238,000	182,000
Other bonds	103,000	-
Alternative assets	95,000	113,000
Cash	65,000	39,000
Total market value of assets	2,146,000	1,569,000

The actual return on scheme assets was £258,000 (2015 - £67,000).

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20. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(360,000)	(371,000)
Net interest cost	(127,000)	(128,000)
Administration expenses	(1,000)	(1,000)
Total	(488,000)	(500,000)
Actual return on scheme assets	258,000	67,000

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

	2016 £	2015 £
Opening defined benefit obligation	4,912,000	4,469,000
Current service cost	360,000	371,000
Interest cost	196,000	181,000
Contributions by employees	83,000	86,000
Actuarial losses/(gains)	2,033,000	(101,000)
Benefits paid	(97,000)	(94,000)
Closing defined benefit obligation	7,487,000	4,912,000

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

	2016 £	2015 £
Opening fair value of scheme assets	1,569,000	1,193,000
Interest income	69,000	53,000
Actuarial gains and (losses)	189,000	14,000
Contributions by employer	334,000	318,000
Contributions by employees	83,000	86,000
Benefits paid	(97,000)	(94,000)
Administration expenses	(1,000)	(1,000)
Closing fair value of scheme assets	2,146,000	1,569,000

21. 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 £
Amounts payable:		
Within 1 year	31,065	24,766
Between 1 and 5 years	88,794	35,463
Total	119,859	60,229

**NOTES TO THE FINANCIAL STATEMENTS
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22. RELATED PARTY TRANSACTIONS

Two Trustees, Miss D Burgess and Mrs L Rudd are related to three members of staff employed on contracts of employment.

Any transactions where the Trustee has a pecuniary interest would only be undertaken in accordance with the 'at cost' principle stated in the Academies Financial Handbook.

There were no other related party transactions.

23. 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.

The policies applied under the Academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.