

Financial Statements
Ormiston Bolingbroke Academy
Trust

For the year ended 31 August 2016

Company No: 07349394 (England and Wales)

Ormiston Bolingbroke Academy Trust
Financial statements for the year ended 31 August 2016

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Reference and Administrative Details of the Academy, its Governors and Advisers

Members

M Gibbons (appointed 16 February 2015)
Ormiston Academies Trust (appointed 16 February 2015)
T Salt (appointed 16 February 2015)
M Cunliffe (appointed 09 December 2015)

Ormiston Trust (resigned 16 February 2015)
University of Chester (resigned 16 February 2015)
S Murphy (appointed 16 February 2015, resigned 08 December 2015)

The Trustees

*M Cunliffe, Chair as from 09 December 2015
M Gibbons
P Healey, Parent Trustee (appointed 23 June 2016)
C Heffernan, Parent Trustee (appointed 23 June 2016)
*M Lloyd-Jones
*P Lloyd-Jones
*S Murphy, Chair up to 08 December 2015 (resigned 7 September 2016)
K Reid, Staff Trustee
*J Rigby, Executive Principal and Accounting Officer
*A Walker (Vice Chair)
*M Wyss, Principal
P Slavin, Parent Trustee (appointed 09 December 2015, resigned 29 February 2016)
H Ziman
* members of the Finance and General Purpose committee

Company registered number

07349394 (England and Wales)

Principal and registered office

Barnfield Avenue
Cheshire
WA7 6EP

Senior management team

J Rigby, Executive Principal
M Wyss, Principal
J Mooney, Vice Principal
B Barry, Assistant Principal
S Easton, Assistant Principal
P Finnigan, Assistant Principal
S Hughes, Director of Finance
S Oulton, Assistant Principal
S Powell, Director of Data
J Smith, Assistant Principal
M Wallace, Assistant Principal

Reference and Administrative Details of the Academy, its Governors and Advisers

Independent auditor

Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
4 Hardman Square
Spinningfields
Manchester
M3 3EB

Internal Auditor

Mazars LLP
Chartered Accountants
45 Church Street
Birmingham
B3 2RT

Bankers

Santander
Bridle Road
Bootle
Merseyside
L30 4GB

Lloyds Bank Plc
5 St Paul's Square
Old Hall Street
Liverpool
L3 9SJ

Solicitors

Stone King LLP
16 St John's Lane
London
EC1M 4BS

Anthony Collins Solicitors LLP
134 Edmund Street
Birmingham
B3 2ES

Trustees' Report

The trustees present their annual report together with the audited financial statements and auditor's report of Ormiston Bolingbroke Academy Trust ('the Academy', 'Charitable Company' or 'OBA') for the year ended 31 August 2016. The annual report serves the purpose of both a trustees' report, and a directors' report under company law.

Structure, governance and management

a. Constitution

The Academy is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles are the primary governing documents of the Academy. The trustees of Ormiston Bolingbroke Academy Trust are also the directors of the Charitable Company for the purposes of company law.

The charitable company is known as Ormiston Bolingbroke Academy ('the Academy').

Details of the trustees who served throughout the year are included in the Reference and Administrative Details page of the financial statements.

b. 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.

c. Trustees' indemnities

The Academy has put in place policies which indemnify the Trustees when acting in that capacity on behalf of the Academy.

Insurance cover is provided by Zurich Municipal under policy number KSC-242039-9893.

d. Method of recruitment and appointment or election of Trustees

The Sponsors shall appoint the Sponsor Trustees. The Local Authority (LA) may appoint the LA Trustee. The Parent Trustees shall be elected by parents of registered pupils at the Academy. A Parent Trustee must be a parent of a pupil at the Academy at the time of election. The Staff Trustees shall be elected by the staff members at the Academy. One of the Staff Trustees shall be elected from among the teaching staff of the Academy and the other Staff Trustee from among the non-teaching staff. A Staff Trustee must be a member of staff at the time when he is elected. The Trustees may appoint up to 3 co-opted Trustees.

Trustees are elected for a term of four years but are eligible for re-election at the meeting at which they retire.

The Trustees who served throughout the year ended 31 August 2016 and who were appointed subsequently are listed in the Reference and Administrative Details page of the financial statements.

Trustees' Report (continued)

e. Policies and procedures adopted for the induction and training of Trustees

The training and induction provided for new Trustees will depend on their existing experience. Where necessary induction will provide training on charity and educational legal and financial matters. All new Trustees are welcome to visit the Academy and to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two to three new Trustees a year, induction will be done informally and is tailored specifically to the individual.

f. Organisational structure

A unified management structure is in place which consists of three levels: the Trustees, the Senior Management and the Management Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The Executive Principal is the Accounting Officer of the Academy.

g. Connected organisations

The Ormiston Trust is the sponsor of the Academy.

h. Risk management

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy and its finances. The Trustees have implemented a number of systems to assess risks that the Academy faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and discipline) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. staff conduct policies) and internal financial controls in order to minimise risk.

Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of financial controls and this is explained in more detail in the following statement.

Objectives and Activities

a. Objects and aims

In accordance with the articles of association the Charitable Company has adopted a 'Scheme of Government' approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which students are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on English and Applied Learning.

Trustees' Report (continued)

b. Objectives, strategies and activities

The Academy is implementing an approach to deliver its transformational agenda in a challenging and deprived community by:

- personalised learning experiences integrated with the new technologies;
- admissions based on the concept of a community Academy serving all the children of its community;
- strengthening the links with primary schools to ensure effective transition;
- development of a learning community model that brings together agencies, voluntary sector and academy resources to meet the needs of the whole community, offering innovative and far reaching practices;
- providing value for money for the funds expended;
- providing a programme of sporting and after school activities for all students.
- providing a broad and diverse curriculum and staffing provision to meet the needs of all students.

c. Public benefit

The Academy is an exempt charity with the charitable purpose of advancement of education to pupils between the ages of 11 to 19 within the borough of Halton.

The Academy's Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

A fruitful partnership with the neighbouring community sports centre has seen the Academy hosting a 'Smoking Cessation' course and wellbeing sessions for the local community, as well as Lifeguard training courses for our students.

Achievements and performance

a. Key financial performance indicators

95% of total income in the year (excluding restricted fixed asset funds) was received from the EFA or DFE (2015: 96%).

Salary expenditure for the year ended 31 August 2016 represented 66% (2015: 72%) of total spend and 76% (2015: 77%) of total income, excluding restricted fixed asset funds. Teacher to pupil ratio for the year was 10, the same as for 2014/15.

Trustees' Report (continued)

b. Achievements and performance

It is a pleasure to once again reflect on an extremely productive and rewarding sixth academic year here at Ormiston Bolingbroke Academy. This is testament to the extraordinary talents and effort of our students and staff, where everyone goes that extra mile to allow our students to shine. Our motto, 'Dare to shine', perfectly sums up our core mission; to allow all students to flourish, regardless of circumstance or background.

For the last 4 years, the number of students achieving 5 or more GCSEs at grades A* - C including English and maths has been well above national average. Good and better teaching has consistently secured significant improvements in levels of attainment compared to the predecessor school. The attainment of students has greatly improved over the past 6 years, from 38% to consistently over 60% 5 GCSEs at A*-C with English and maths. In 2015, OBA was in the second highest quintile for 5 A*CEM compared to similar schools and there was no statistically better performing similar school within a 75 mile radius. Compared to the 55 schools nationally with similar prior attainment, OBA came 13th. Progress in English and maths has also risen to exceed national averages in many areas. The Academy's 2016 Basics score stands at 63%, above the 2016 Local Authority average and well above the 2015 national average.

The 2015-16 Year 11 cohort had 60% of students classed as disadvantaged, with 59% of Year 13 students in receipt of bursaries. Currently 60.4% of our Year 13 students are eligible for bursaries. A bursary is granted to each disadvantaged student at OBA as part of the pupil premium policy, with subsidised transport made available to all of these.

For the academic year 2016-17, there are 1,024 students on roll, with 241 of these comprising the Sixth Form. We have 108 students (11%) in school on SEND Support (K) and 7 students (1%) on Statements (both including Sixth Form). There are 617 students in the Academy who have been eligible for Pupil Premium in the last six years (60.66%). Of these, 16% have SEN. The Academy was oversubscribed for the start of the academic year 2016 – 17.

The Local Authority has designated OBA as a top category A school for the last 2 years, with a universal offer of support and recognised as being in a position to provide leadership support for other schools. In 2014, the OBA's Executive Principal was appointed by the LA as Headteacher of The Bankfield School. Many of OBA's staff worked with the school to the end of the 2015 academic year, as it became Ormiston Chadwick Academy in September, to secure rapid improvements, including a rise from 40% 5A*CEM to 70% in 2016.

OBA has also been consulted by the Ofsted regional team leading the Good Practice projects on strategies to raise the achievement of disadvantaged students, improve attendance, secure effective middle leadership and the outcomes of more able students.

The Academy's estimated validated Progress 8 score for 2016 stands at -0.18, with Attainment 8 at 47.79. We are confidently predicting this to rise, as the increased numbers following a more academic curriculum become embedded. The Progress 8 score is an improvement on last year's score of -0.42, and Disadvantaged students' progress has improved. This headline measure does not reflect the great progress that the majority of pupil groups have made in reducing gaps in most other achievement measures. Attainment 8 has improved from last year's 43.77. The Value Added score for all students of 1000.548 is a significant increase on the 2015 score of 982.3. All pupil groups VA is either above the national average or in line with it.

Trustees' Report (continued)

In 2016, the A Level Average Points Score per entry rose by 20 points since 2015 to 223. Academic progress is broadly average. The Vocational APS score of 239 is also an improvement on the 2015 figure and vocational progress is well above average.

Parent View responses indicate that parents feel extremely positive about the Academy, with the average positive response being well above the national average.

We maintained our national profile and relationship with the Home Office, as the Executive Principal John Rigby, and Principal Mark Wyss, were invited to 10 Downing Street to take part in a roundtable discussion on how to improve social mobility in Higher Education. The discussion was initially led and chaired by the Secretary of State for Business, Innovation and Skills, Sajid Javid. The Prime Minister, David Cameron, joined the meeting and made a point of singling out the success of Ormiston Bolingbroke Academy which goes the extra mile to ensure that as many students as possible achieve results above the national average, regardless of their background. He commented on how such schools can transform the life chances of students and their families.

The 2015 performance tables published by the Department for Education announced that 'there is no statistically better performing similar school within a 75 mile radius.' Compared to the 55 schools nationally with similar prior attainment, OBA comes in thirteenth position.

The table confirms our proud record of being above 60% for students achieving five A*-C GCSE grades including English and maths for the last three years, as well as being well above national and local averages for the same period.

The performing arts were once again incredibly prolific at OBA this year. In December, our production of 'Bugsy Malone' attracted sell-out audiences on four nights and incorporated a cast of Key Stage 3 to 5 students, as well as a talented group of performers from our family of primary partner schools. Our Saturday Academy students performed an adaptation of the Crucible showcasing their hard work from our Centre Stage Youth Theatre. As well, we had students from GCSE and Level 3 BTEC perform some outstanding pieces of theatre throughout the year.

We took part in the annual national Shakespeare Schools Festival, featuring a cast of Achieving Excellence students from OBA and OCA who performed at the Floral Pavilion in New Brighton. Not content with this, we hosted our very own Ormiston Shakespeare Festival in our own school theatre. Our students performed 'The Merchant of Venice'.

In April the dance department hosted three successful, sold out dance shows, two of which showcased both class work and enrichment pieces from students in Year 7 to 13. The other being 'Dynamix Dance School's own show, showing a range of dance styles and show stopping pieces from OBA students and students from the local community.

The Music department are also hosting the BBC inspired Ten Pieces event during the first of the two showcases. The 'Ten Pieces' concerts are running throughout the UK highlighting ten established compositions chosen specifically to enrich and encourage music appreciation, and bring classical music to the community.

During the Spring term our talented GCSE Year 9 art pupils created a series of art works for the dot-art online competition.

Trustees' Report (continued)

Sporting life continues to thrive at OBA and we have introduced BTEC Sport as a core qualification for all at Key Stage 4. Our enrichment programme remains vibrant and we have enjoyed notable success in sports competitions.

The Academy has taken part in its fifth successive Sky Sport Living project and Rachel Brown (ex-England and Everton FC ladies) came in to work with our budding Year 7 and 8 footballers. Also Year 8 OBA students took part in a Youth Sports Trust conference at Wembley stadium where they learned about leadership and school sport pathways.

Duke of Edinburgh has continued to show strength for the sixth year in a row with 93 students participating within the award across Years 9-13. OBA's has seen another gold cohort complete this year with 7 students gaining this. OBA students have shown dedication to a range of skills as part of their DofE with pupils taking part in sports teams, school productions, music events and driving lessons. Gold students have also completed residential activities in a French Ski Resort, Kenya, Sweden and have assisted at Camp Project Wales. The success of the award within the Academy has been recognised at the 60th Birthday Garden Party at Buckingham Palace, where we have been awarded a plaque for excellent Duke of Edinburgh programme.

In May we welcomed Dr Jason Howard, our Ormiston Regional Director and current serving HMI inspector, to the Academy to conduct a full audit and review of safeguarding at the Academy, including our 'Horizons' Alternative Provision centre. I am delighted that he judged safeguarding to be very strong at OBA and he was particularly keen to praise the fact that effective safeguarding is clearly at the heart of our culture. Keeping our students safe is without doubt the most important role of any adult working at OBA and I am pleased that we have had external validation of our strength in this area. The Local Authority also visited our 'Horizons' centre and were impressed with the provision and standards there, to the extent that they deemed it as a centre of best practice in the borough.

At present we are working towards achieving the E-Safety Quality Mark and when successful we will become one of only 30 secondary schools nationwide who have achieved this award.

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy 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 Accounting Policies.

Financial review

a. Principal funding

Most of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted to particular purposes. The grants from the DfE during the year ended 31 August 2016 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Academy also receives grants for fixed assets from the DfE. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' SORP (FRS102) such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund.

The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Trustees' Report (continued)

b. Financial review

During the year ended 31 August 2016, revenue expenditure was £7,220,000 compared to income of £7,183,000 by recurrent grant funding from the DfE and other incoming resources. Expenditure for the year (excluding restricted fixed asset funds) exceeded income by £37,000.

At 31 August 2016 the net book value of fixed assets was £14,377,000 and movements in tangible fixed assets are shown in note 13 and intangible fixed assets in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

Expenditure in the Academy is budgeted in conjunction with the Academy's development plan to ensure that all expenditure is aligned with the key objectives of the Academy.

c. Reserves policy

The Academy held fund balances at 31 August 2016 of £14,229,000 comprising £13,579,000 of restricted funds and £650,000 of unrestricted funds. £14,377,000 relates to donations of land and buildings and grant funded improvement works. These reserves will be reduced in accordance with the depreciation policy for the assets transferred.

The Trustees have reviewed the reserves of the Academy. This review encompassed the nature of income and expenditure streams, the need to match them with commitments and the nature of reserves. Funds of £500,000 have been set aside to support the support the capital investment required to modernise and upgrade the remaining building and sporting facilities, and to increase capacity to accommodate growth in pupil numbers. The level of reserves will be kept under review by the Trustees.

d. Principal risks and uncertainties

The Trustees have a comprehensive risk management policy to identify, evaluate and manage risk. Risks are categorised into strategic risks and operational risks. Strategic risks include political, economic, social, technological, legal, environmental, competitive and customer. Managing these risks is a core responsibility of the senior leadership team in liaison with Trustees. Operational risks include professional, financial, legal, physical, contractual and technological. Risks are assessed in terms of impact and likelihood and risk control measures are identified and assigned to an appropriate member of staff. Principal risks identified are those involving fire risk assessments, recruitment procedures, financial planning and procedures, the school development plan, loss of IT equipment and systems and exam results.

e. Investment policy

Investments will only be made that are consistent with the Academy's charitable status and in line with policies that have been approved by the governing body. During the year cash investments were held in interest bearing deposit accounts with Santander UK Plc.

Trustees' Report (continued)

f. Financial and Risk Management Objectives and Policies

The defined benefit pension scheme liability is £925,000 at 31 August 2016 (2015: £390,000).

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

The Academy uses a variety of financial instruments, including cash and items such as trade debtors and trade creditors that arise directly from day to day activities. The main purpose of these financial instruments is to ensure liquidity for the Academy's operations.

g. Plans for future periods

The Academy will continue to strive to improve the levels of performance of its students at all levels and will continue its efforts to ensure its students get jobs or a place in higher education or training once they leave. The Academy will also increase its recruitment up to the maximum capacity, accepting transfers from other schools and colleges where possible.

h. Arrangements for setting pay and remunerations of key management personnel

The Executive Principal and Principal pay is determined in accordance with OAT's pay policy for Principals. This salary will be reviewed annually in line with OAT's policy, and is reviewed and agreed by the Trustees. The salary for key management personnel is determined in line with the leadership scales agreed by the trustees and is approved by the Executive Principal / Principal and the trustees.

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 Charitable Company's auditor is aware of that information.

Approval

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487 (2) of the Companies Act 2006 unless the Charitable Company receives notice under section 488 (1) of the Companies Act 2006.

The Trustee's Report incorporating a Strategic Report was approved by order of the Governing Body on 6 December 2016 and signed on its behalf by:



M Cunliffe
Chair of Trustees

Governance Statement

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Executive 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 Ormiston Bolingbroke Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

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

Trustee	Meetings attended	Out of a possible
M Cunliffe, Chair from 09 December 2015	3	3
M Gibbons	3	3
P Healey (appointed 23 June 2016)	1	1
C Heffernan (appointed 23 June 2016)	1	1
M Lloyd-Jones	1	3
P Lloyd-Jones	2	3
S Murphy, Chair up to 08 December 2015 (resigned 7 September 2016)	3	3
K Reid, Staff Trustee	2	3
J Rigby, Executive Principal	3	3
A Walker, Vice Chair	1	3
M Wyss, Principal	3	3
H Ziman	3	3
P Slavin (appointed 09 December 2015, resigned 29 February 2016)	1	1

The Finance and General Purposes Committee is a sub-committee of the main Governing Body. Its purpose is to consider the Academy's budget and funding for the year, to monitor and review expenditure, to review financial procedures and to instruct and receive internal audit reports on a regular basis.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
M Cunliffe	2	3
M Lloyd Jones	3	3
P Lloyd Jones	3	3
S Murphy	2	3
J Rigby	3	3
A Walker	0	3
M Wyss	3	3
H Ziman	1	3

Governance Statement (continued)

Review of Value for Money

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

Improving educational outcomes

The exam results for the 15/16 academic year were once again very impressive.

The academy has reviewed its staffing structure and has directed resource to areas of the curriculum requiring additional support. The differing needs of pupils are constantly reviewed and one to one support is provided to pupils when required

The academy runs an award winning Saturday Academy that provides opportunities for primary students to attend a variety of workshops and induction activities. Many of the local primary schools spend taster days at the academy and have taken part in English, Maths, Spanish, Enterprise, ICT. These days have been a massive success and the academy will continue to provide this high quality transition programme. The academy also ran a successful summer school during 2016.

There is a vast and diverse after-school Enrichment programme for all students in place which features a plethora of sporting, academic, vocational and leisure activities. The Academy's staff lead these sessions, with external providers such as Liverpool Football Club and our own Chinese Assistant also contributing.

Governance Statement (continued)

Financial governance and oversight

Monthly reports of spend compared to budget are reviewed and action is taken if any issues are identified. The outlook for the year is also revisited on a monthly basis and monitored against budget.

The Finance and General Purpose Committee review termly financial reports and monitor spend against budget and forecast outcomes for the year. Trustees approve the annual budget and longer term plans and are mindful of the need to balance expenditure against income.

The scheme of delegation for approval limits for purchases and tenders is reviewed annually by the Finance and General Purpose Committee.

Departmental budgetary control is achieved through electronic purchase ordering so that budget holders are able to constantly review spend against budget. Purchase order approval limits are also enforced by this system.

During the 2015/16 financial year internal audit duties were provided by the services of Mazars LLP who reviewed key internal financial controls, policies and procedures and report to the Trustees of the Academy.

Services and contracts are regularly reviewed to ensure that value for money is being achieved. For example suppliers photocopying facilities were reviewed during the year, quotes were considered from a number of providers, and costs to the Academy were considerably reduced. Energy prices were also reviewed, and the Academy's gas supplier has been changed to achieve reduced prices. Three quotes are obtained for all significant purchases that are below the tender limit. TES foundation is used to help facilitate these quotes where possible, and this has been particularly useful in sourcing IT equipment, leading to savings to the Academy. The Academy is a member of a purchasing consortium to help ensure that quality and value for money is achieved on purchases. This has enabled savings to be made on a number of different purchases. The Academy also benefits from economies of scale from services negotiated by the Ormiston Academies Trust, and this is likely to increase in the future. Benchmarking reports have been compiled and are reviewed to identify areas where there are potential savings.

Staffing levels are constantly reviewed to ensure that curriculum needs are matched and to monitor against budgeted expenditure.

Opportunities for generating income are constantly explored to maximise future revenue streams.

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 Ormiston Bolingbroke Academy Trust throughout the year ended 31 August 2016 and up to the date of approval of the annual report and financial statements.

Governance Statement (continued)

Capacity to Handle Risk

The Governing Body 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 Governing Body 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 Governing Body.

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 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;
- identification and management of risks.

The Governing Body has considered the need for a specific internal audit function and has appointed Mazars LLP 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 termly basis, Mazars LLP report 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.

The internal auditor has delivered their schedule of work as planned. No material control issues were identified as a result of the internal auditor's work.

Ormiston Bolingbroke Academy Trust
Financial statements for the year ended 31 August 2016

Governance Statement (continued)

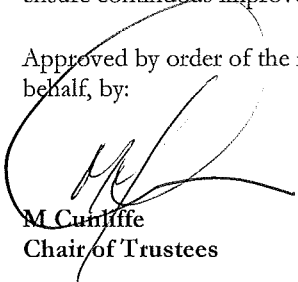
Review of Effectiveness

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;
- the work of the external auditor;
- 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 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 Governing Body on 6 December 2016 and signed on their behalf, by:



M Cunliffe
Chair of Trustees



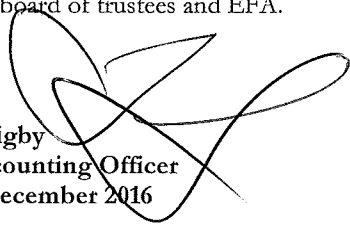
J Rigby
Accounting Officer

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Ormiston Bolingbroke Academy Trust I have considered my responsibility to notify the Academy's Governing Body and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy and the Secretary of State. 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's Governing Body are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy'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.



J Rigby
Accounting Officer
6 December 2016

Statement of trustees' responsibilities

The trustees (who act as governors of Ormiston Bolingbroke Academy Trust 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 Generally Accepted Accounting Practice and applicable law and regulations.

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

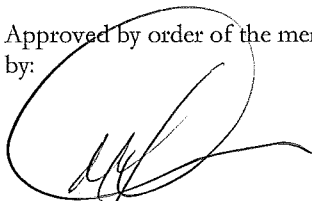
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards including FRS102; The Financial Reporting Standard applicable in the UK and Republic of Ireland 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 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 6 December 2016 and signed on its behalf
by:



M Cunliffe
Chair of Trustees



Independent auditor's report on the financial statements to the members of Ormiston Bolingbroke Academy Trust

We have audited the financial statements of Ormiston Bolingbroke Academy Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities including the 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 and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of trustees and auditor

As explained more fully in the statement of trustees' responsibilities set out on page 18 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with 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 (FRS102) (Charities SORP (FRS102)) and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.



Independent auditor's report on the financial statements
to the members of Ormiston Bolingbroke Academy Trust
(continued)

Opinion on other matters 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.

A handwritten signature in cursive script that reads "Joanne Love".

Joanne Love
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Manchester

14 December 2016



Independent reporting accountant's assurance report on Regularity to Ormiston Bolingbroke Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 17 October 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 Ormiston Bolingbroke Academy Trust 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 Ormiston Bolingbroke Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Ormiston Bolingbroke Academy Trust and the EFA those matters we are required to state to them 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 Ormiston Bolingbroke Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Ormiston Bolingbroke Academy Trust's Accounting Officer and the reporting accountant

The accounting officer is responsible, under the requirements of Ormiston Bolingbroke Academy Trust's funding agreement with the Secretary of State for Education dated 24 October 2010, 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.



Independent reporting accountant's assurance report on Regularity to Ormiston Bolingbroke Academy Trust and the Education Funding Agency (continued)

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

The work undertaken to draw our conclusion includes:

- an assessment of the risk of material irregularity and impropriety across the Academy Trust's activities;
- evaluation of the processes and controls established and maintained in respect of regularity, propriety and compliance of the use of public funds through observation and testing of the arrangements in place and enquiry of the Accounting Officer;
- consideration and corroboration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance; and
- limited testing on a sample basis of income and expenditure for the areas identified as high risk.

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 the purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Grant Thornton UK LLP

Reporting Accountant
Grant Thornton UK LLP
Chartered Accountants
Manchester

14 December 2016

Statement of financial activities (including income and expenditure account)

	Note	Unrestricted funds 2016 £'000	Restricted funds 2016 £'000	Restricted fixed asset funds 2016 £'000	Total 2016 £'000	Total 2015 £'000
Income from:						
<i>Incoming resources from generated funds</i>						
Other trading activities	3	239	-	-	239	166
Investment income	4	3	-	-	3	16
Incoming resources from charitable activities	5	-	6,899	-	6,899	6,936
Donations and capital grants	6	-	42	116	158	-
Total incoming resources		<u>242</u>	<u>6,941</u>	<u>116</u>	<u>7,299</u>	<u>7,118</u>
Expenditure on:						
Charitable activities:						
Academy Trust educational operations	7	<u>90</u>	<u>7,130</u>	<u>940</u>	<u>8,160</u>	<u>8,507</u>
Total resources expended	8	<u>90</u>	<u>7,130</u>	<u>940</u>	<u>8,160</u>	<u>8,507</u>
Net income/(expenditure)		152	(189)	(824)	(861)	(1,389)
Transfers between funds	17	-	(177)	177	-	-
Actuarial gains and losses on defined benefit pension schemes	25	-	(472)	-	(472)	110
Net movement in funds for the year		152	(838)	(647)	(1,333)	(1,279)
Reconciliation of funds						
Total funds brought forward	17	<u>498</u>	<u>47</u>	<u>15,017</u>	<u>15,562</u>	<u>16,841</u>
Total funds carried forward	17	<u><u>650</u></u>	<u><u>(791)</u></u>	<u><u>14,370</u></u>	<u><u>14,229</u></u>	<u><u>15,562</u></u>

All activities relate to continuing operations.

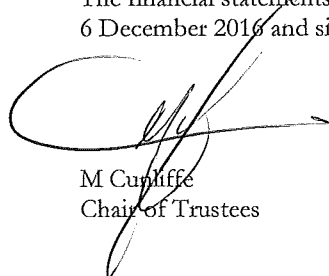
The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 26 to 47 form part of these financial statements.

Balance sheet

	Note	2016 £'000	2015 £'000
Fixed assets			
Intangible assets	12	7	14
Tangible assets	13	14,370	15,003
		<u>14,377</u>	<u>15,017</u>
Current assets			
Stocks	14	17	21
Debtors	15	174	329
Cash at bank and in hand		783	992
		<u>974</u>	<u>1,342</u>
Creditors: amounts falling due within one year	16	<u>(197)</u>	<u>(407)</u>
Net current assets		<u>777</u>	<u>935</u>
Total assets less current liabilities		15,154	15,952
Defined benefit pension scheme liability	25	<u>(925)</u>	<u>(390)</u>
Net assets		<u>14,229</u>	<u>15,562</u>
Funds of the academy			
Restricted funds:			
Restricted income fund	17	134	437
Restricted fixed assets fund	17	14,370	15,017
Pension reserve	17	<u>(925)</u>	<u>(390)</u>
Total restricted funds		13,579	15,064
Unrestricted funds	17	<u>650</u>	<u>498</u>
Total funds		<u>14,229</u>	<u>15,562</u>

The financial statements on pages 26 to 47 were approved by the Trustees and authorised for issue on 6 December 2016 and signed on their behalf by:



M Cusliffe
 Chair of Trustees

Statement of cash flows

	Note	2016 £'000	2015 £'000
Cash flows from operating activities			
Net cash used in operating activities	19	(29)	(588)
Cash flows from investing activities	20	(180)	(224)
Change in cash and cash equivalents in the reporting period		<u>(209)</u>	<u>(812)</u>
Cash and cash equivalents at 1 September		<u>992</u>	<u>1,804</u>
Cash and cash equivalents at 31 August		<u><u>783</u></u>	<u><u>992</u></u>

Notes to the financial statements

1 Statement of accounting policies

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

Basis of preparation

The financial statements of the Academy, 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.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 28 for an explanation of the transaction.

The financial statements are presented in Sterling (£).

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 not less than one year from the date of approval of the financial statements.

The activities of the Academy, together with the factors likely to affect its future development are set out in the Trustees' Report. The Academy's forecasts and financial projections indicate that it will be able to operate for the foreseeable future and for this reason will continue to adopt the going concern basis in the preparation of its financial statements.

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 funders where the asset acquired or created is held for a specific purpose.

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

Investment income gains and losses are allocated to the appropriate fund.

Income

All incoming resources are recognised when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the year 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 it is 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

Notes to the financial statements

Grant is recognised in the year to which it is receivable and any unspent amount is reflected as a balance in the restricted fund.

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 sheet in the restricted fixed asset fund.

Sponsorship income

Sponsorship income provided to the Academy which amounts to a donation is recognised in the statement of financial activities in the year in which it is receivable (where there is no performance related conditions).

Donations

Donations are recognised on a receivable basis where receipt is probable and it can be measured reliably.

Other income

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

Donated services and gifts in kind

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

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

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.

Notes to the financial statements

Expenditure on raising funds

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

Charitable activities

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

Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are net of recoverable VAT.

Intangible fixed assets

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment. Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life, as follows:

- Purchased computer software 25% - 35%

Tangible fixed assets and depreciation

Tangible fixed assets acquired since the Academy was established are included in the accounts at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

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.

Depreciation is provided on all tangible fixed assets, at rates calculated to write down the cost of each asset to its estimated residual value on a straight line basis over their expected useful lives.

The rates generally applicable are:

Leasehold buildings	30 years
Long leasehold land	Over the life of the lease
Furniture and equipment	15%
Computer equipment	20% - 50%
Motor vehicles	15%

Notes to the financial statements

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

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

Liabilities

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

Provisions

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.

Taxation

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

Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Taxes 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.

Pension Benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 26, 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.

Notes to the financial statements

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

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

Stock

Stocks are valued at the lower of cost or net realisable value.

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 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 27, 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 General Annual Grant (GAG)

Under the funding agreement with the Secretary of State the Academy was subject to limits at 31 August 2016 on the amounts of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The Academy has not exceeded these limits during the year ended 31 August 2016.

Notes to the financial statements

3 Other trading activities

	Unrestricted Funds 2016 £'000	Restricted funds 2016 £'000	Total 2016 £'000	Unrestricted Funds 2015 £'000	Restricted funds 2015 £'000	Total 2015 £'000
Uniform sales	22	-	22	25	-	25
Other income	210	-	210	123	-	123
Bus ticket sales	7	-	7	18	-	18
	<u>239</u>	<u>-</u>	<u>239</u>	<u>166</u>	<u>-</u>	<u>166</u>

4 Investment income

	Unrestricted funds 2016 £'000	Restricted funds 2016 £'000	Total 2016 £'000	Unrestricted funds 2015 £'000	Restricted funds 2015 £'000	Total 2015 £'000
Interest receivable	3	-	3	5	-	5
Interest on pension scheme assets/ liabilities	-	-	-	-	11	11
	<u>3</u>	<u>-</u>	<u>3</u>	<u>5</u>	<u>11</u>	<u>16</u>

Notes to the financial statements

5 Funding for the academy's educational operations

	Unrestricted funds 2016 £'000	Restricted Funds 2016 £'000	Total 2016 £'000	Unrestricted funds 2015 £'000	Restricted Funds 2015 £'000	Total 2015 £'000
DfE/EFA revenue grants						
General Annual Grant (GAG) (Note 2)	-	6,135	6,135	-	6,187	6,187
Start up Grants	-	11	11	-	16	16
Other DfE grants	-	702	702	-	524	524
EFA capital grants	-	-	-	-	94	94
	<u>-</u>	<u>6,848</u>	<u>6,848</u>	<u>-</u>	<u>6,821</u>	<u>6,821</u>
Other government grants						
Special Educational Needs from Local Authority	-	51	51	-	38	38
Other	-	-	-	25	52	77
	<u>-</u>	<u>51</u>	<u>51</u>	<u>25</u>	<u>90</u>	<u>115</u>
	<u>-</u>	<u>6,899</u>	<u>6,899</u>	<u>25</u>	<u>6,911</u>	<u>6,936</u>

6 Donations and capital grants

	Unrestricted funds 2016 £'000	Restricted Funds 2016 £'000	Total 2016 £'000	Unrestricted funds 2015 £'000	Restricted Funds 2015 £'000	Total 2015 £'000
Capital grants	-	116	116	-	-	-
Donations	-	42	42	-	-	-
	<u>-</u>	<u>158</u>	<u>158</u>	<u>-</u>	<u>-</u>	<u>-</u>

Notes to the financial statements

7 Charitable activities

	Unrestricted funds 2016 £'000	Restricted funds 2016 £'000	Total funds 2016 £'000	Unrestricted funds 2015 £'000	Restricted funds 2015 £'000	Total funds 2015 £'000
Direct costs	-	5,555	5,555	-	5,676	5,676
Allocated support costs	90	2,515	2,605	-	2,831	2,831
	<u>90</u>	<u>8,070</u>	<u>8,160</u>	<u>-</u>	<u>8,507</u>	<u>8,507</u>

Charitable activities – academy's educational operations

	Unrestricted funds £'000	Restricted funds £'000	2016 Total £'000	Unrestricted funds £'000	Restricted funds £'000	2015 Total £'000
Direct costs						
Teaching and educational support staff costs	-	4,609	4,609	-	4,600	4,600
Educational supplies	-	403	403	-	515	515
Examination fees	-	180	180	-	166	166
Staff development	-	49	49	-	81	81
Educational consultancy	-	166	166	-	165	165
Special facilities	-	148	148	-	149	149
	<u>-</u>	<u>5,555</u>	<u>5,555</u>	<u>-</u>	<u>5,676</u>	<u>5,676</u>
Allocated support costs						
Support staff costs	-	726	726	-	808	808
Depreciation	-	939	939	-	981	981
Recruitment and support	-	14	14	-	46	46
Maintenance of premises and equipment	-	158	158	-	195	195
Bought in support costs	-	29	29	-	32	32
Rates and utilities	-	108	108	-	112	112
Insurance	-	30	30	-	41	41
Administrative costs	90	74	164	-	191	191
Catering	-	180	180	-	192	192
Other support costs	-	112	112	-	88	88
Governance costs - auditors' remuneration	-	10	10	-	8	8
Governance costs - Ormiston Academy Trust costs	-	135	135	-	137	137
	<u>90</u>	<u>2,515</u>	<u>2,605</u>	<u>-</u>	<u>2,831</u>	<u>2,831</u>

Notes to the financial statements

8 Expenditure

	Staff costs 2016 £'000	Premises 2016 £'000	Other costs 2016 £'000	Total 2016 £'000	Total 2015 £'000
Expenditure on raising funds	-	-	90	90	-
Direct costs	4,608	148	799	5,555	5,676
Allocated support costs	726	296	1,493	2,515	2,831
Charitable activities	5,334	444	2,382	8,160	8,507

9 Income/(expenditure)

Income/(expenditure) for the period includes:

	2016 £'000	2015 £'000
Amortisation of intangible fixed assets	7	8
Depreciation of tangible fixed assets:		
- owned and held under lease including loss on disposal	932	973
Auditors' remuneration for audit services	10	8
Operating lease rentals	1	9

Of the £981,000 depreciation charge £477,000 in respect of leased assets and £504,000 in respect of assets owned by the Academy.

Notes to the financial statements

10 Staff costs

a) Staff costs

Staff costs during the year were as follows:

	2016 £'000	2015 £'000
Wages and salaries	4,269	4,427
Social security costs	341	318
Other pension costs	611	614
	<u>5,221</u>	<u>5,359</u>
Supply staff costs	16	34
Staff restructuring costs	31	15
	<u>5,268</u>	<u>5,408</u>
Staff restructuring costs comprise:		
Redundancy payments	14	5
Severance payments	16	10
Other restructuring costs	1	-
	<u>31</u>	<u>15</u>

b) Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £15,579 (2015: nil). Individually, the payments were: £2,000, £7,479 and £6,100.

c) Staff numbers

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

	2016 Number	2015 Number
Teachers	96	87
Administration and support	82	99
Management	11	15
	<u>189</u>	<u>201</u>

d) Higher paid staff

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

	2016 Number	2015 Number
£60,000 - £70,000	1	1
£70,001 - £80,000	1	-
£130,001 - £140,000	1	-
£140,001 - £150,000	-	1

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2016, pension contributions for these staff members amounted to £31,209 (2015: £25,055).

Notes to the financial statements

10 Staff costs (continued)

e) Key management personnel

The key management personnel of the Academy 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 was £770,000 (2015: £852,000).

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 the academy business. The insurance provides cover up to £2,000,000 on any one claim.

The cost of this insurance is included in the total insurance cost.

12 Intangible fixed assets

	Computer software £'000	Total £'000
Cost		
At 1 September 2015	37	37
Additions	-	-
Disposals	(2)	(2)
At 31 August 2016	<u>35</u>	<u>35</u>
Amortisation		
At 1 September 2015	23	23
Charged in the year	7	7
Disposals	(2)	(2)
At 31 August 2016	<u>28</u>	<u>28</u>
Carrying amount		
At 31 August 2015	<u>14</u>	<u>14</u>
At 31 August 2016	<u>7</u>	<u>7</u>

Notes to the financial statements

13 Tangible fixed assets

	Leasehold Land & Buildings £'000	Assets under construction £'000	Motor vehicles £'000	Furniture & Equipment £'000	Computer Equipment £'000	Total £'000
Cost						
At 1 September 2015	14,921	78	80	1,165	1,176	17,420
Additions	96	-	-	121	82	299
Disposals	-	-	-	-	(50)	(50)
Transfers	41	(78)	-	37	-	-
At 31 August 2016	15,058	-	80	1,323	1,208	17,669
Depreciation						
At 1 September 2015	1,253	-	30	486	648	2,417
Charge for the year	480	-	12	183	257	932
Disposals	-	-	-	-	(50)	(50)
At 31 August 2016	1,733	-	42	669	855	3,299
Net book value at:						
31 August 2016	13,325	-	38	654	353	14,370
31 August 2015	13,668	78	50	679	542	15,003

Included in land and buildings is land at valuation £837,000 (2015: £837,000).

Academy land and buildings are held under a 125 year lease from Halton Borough Council and as such are treated as donated assets.

Notes to the financial statements

14 Stock

	2016 £'000	2015 £'000
Uniforms	16	15
Bus tickets	1	6
	<u>17</u>	<u>21</u>

15 Debtors

	2016 £'000	2015 £'000
Trade debtors	26	31
Other debtors	30	84
Prepayments and accrued income	118	214
	<u>174</u>	<u>329</u>

16 Creditors: amounts falling due within one year

	2016 £'000	2015 £'000
Trade creditors	49	188
Other creditors	1	-
Accruals and deferred income	147	219
	<u>197</u>	<u>407</u>

Deferred income

	£'000	£'000
Deferred income at 1 September 2015	110	51
Resources deferred in the year	-	110
Amounts released from previous year	<u>(110)</u>	<u>(51)</u>
Deferred income at 31 August 2016	<u>-</u>	<u>110</u>

Deferred income relates to clawback of GAG funding.

Notes to the financial statements

17 Statement of funds

	Balance at 1 September 2015 £'000	Income £'000	Expenditure £'000	Transfers in/out £'000	Gains/ (losses) £'000	Balance at 31 August 2016 £'000
Unrestricted funds						
General Funds – all funds	498	242	(90)	-	-	650
Restricted general funds						
General Annual Grant (GAG)	437	6,135	(6,265)	(177)	-	130
Start-Up Grant	-	11	(11)	-	-	-
Other DfE/EFA Grants	-	445	(445)	-	-	-
Other restricted	-	-	-	-	-	-
LEA and other grants	-	350	(346)	-	-	4
Pensions reserve	(390)	-	(63)	-	(472)	(925)
	47	6,941	(7,133)	(177)	(472)	(791)
Restricted fixed asset funds						
Restricted fixed asset funds	14,060	-	(940)	-	-	13,120
DfE/EFA capital grants	-	116	-	-	-	116
Capital expenditure from GAG	957	-	-	177	-	1,134
	15,017	116	(940)	177	-	14,370
Total restricted funds	15,064	7,057	(8,163)	-	(472)	13,579
Total funds	15,562	7,299	(8,163)	-	(472)	14,229

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

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 and include grants from the Department for Education.

Under the funding with the Secretary of State, the academy was subject to a limit on the amount of GAG that it could carry forward at 31 August 2016. Note 2 discloses whether the limit was exceeded.

Notes to the financial statements

17 Statement of funds (continued)

Summary of funds:

	Brought forward £'000	Incoming resources £'000	Resources expended £'000	Transfers in/out £'000	Gains/(losses) £'000	Carried forward £'000
General funds	498	242	(90)	-	-	650
Restricted funds	47	6,941	(7,130)	(177)	(472)	(791)
Restricted fixed asset funds	15,017	116	(940)	177	-	14,370
	<u>15,562</u>	<u>7,299</u>	<u>(8,160)</u>	<u>-</u>	<u>(472)</u>	<u>14,229</u>

18 Analysis of net assets between funds

Summary of funds:

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	Total 2016 £'000	Total 2015 £'000
Tangible fixed assets	-	-	14,377	14,377	15,017
Current assets	17	957	-	974	1,342
Creditors due within one year	(16)	(181)	-	(197)	(407)
Pension scheme liability	-	(925)	-	(925)	(390)
Total net assets	<u>1</u>	<u>(149)</u>	<u>14,377</u>	<u>14,229</u>	<u>15,562</u>

Notes to the financial statements

19 Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2016 £'000	2015 £'000
Net (expenditure)/income for the year (as per the Statement of Financial Activities)	(861)	(1,389)
Adjusted for:		
Interest receivable	(3)	(5)
Capital grants from DfE and other capital income	(116)	(94)
Depreciation	932	973
Amortisation	7	8
Proceeds on disposal of tangible fixed assets	-	7
Decrease/(increase) in stocks	4	3
Increase in debtors	155	(27)
(Decrease)/increase in creditors	(210)	(107)
Defined benefit pension scheme finance cost	16	(11)
Defined benefit pension scheme cost less contribution payable	47	54
Net cash (outflow)/inflow from operating activities	(29)	(588)

20 Cash flows from investing activities

	2016 £'000	2015 £'000
Interest received	3	5
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(299)	(323)
Capital grants from DfE	116	94
Net cash outflow capital expenditure	(180)	(224)

21 Analysis of cash and cash equivalents

	2016 £'000	2015 £'000
Cash at bank and in hand	783	992
Total cash and cash equivalents	783	992

Notes to the financial statements

22 Contingent liabilities

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to pay to the Secretary of State for Education and Skills the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:

- (a) the value at the time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- (b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

23 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.

24 Capital commitment

	2016	2015
	£'000	£'000

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

Contracted for but not provided for in these financial statements	-	68
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25 Pension commitments

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Schemes (LGPS) for non-teaching staff, which is managed by the Cheshire West and Chester Council. Both are defined benefit schemes.

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

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

Notes to the financial statements

Pension commitments (continued)

Teachers' Pension Scheme (TPS)

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

The pension costs paid to TPS in the period amounted to £491,000 (2015: £401,000).

Notes to the financial statements

Pension commitments (continued)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in separate trustee administered funds. The total contribution made for the year ended 31 August 2016 was £167,000, of which employer's contributions totalled £130,000 and employees' contributions totalled £37,000. The agreed contribution rates for future years are 21.1% for employers and 5.5%-12.5% 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 June 2013.

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2016	Fair value at 31 August 2016 £'000	Expected return at 31 August 2015	Fair value at 31 August 2015 £'000
Equities	2.0%	1,856	3.8%	1,040
Bonds	2.0%	1,365	3.8%	854
Property	2.0%	245	3.8%	199
Cash	2.0%	36	3.8%	88
Total market value of assets		3,502		2,181

The amounts recognised in the Balance sheet are as follows:

	2016 £'000	2015 £'000
Present value of funded obligations	(3,684)	(2,601)
Fair value of scheme assets	2,759	2,211
Net liability	(925)	(390)

Notes to the financial statements

Pension commitments (continued)

The amounts recognised in the Statement of financial activities are as follows:

	2016 £'000	2015 £'000
Current service cost	(168)	(215)
Past service cost	(17)	-
Interest on obligation	(102)	(89)
Expected return on scheme assets	86	100
Total	(201)	(204)
Actual return on scheme assets	349	166

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

	2016 £'000	2015 £'000
Opening defined benefit obligation	2,601	2,325
Current service cost	168	215
Past service cost	17	-
Interest cost	102	89
Contributions by plan participants	40	49
Actuarial losses	821	14
Benefits paid	(65)	(91)
Closing defined benefit obligations	3,684	2,601

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

	2016 £'000	2015 £'000
Opening fair value of employer assets	2,211	1,868
Expected return on assets	86	71
Actuarial gains	349	153
Contributions by employer	138	161
Contributions by employees	40	49
Benefits paid	(65)	(91)
	2,759	2,211

The Academy Trust expects to contribute £164,000 to the local government pension scheme in 2017.

Notes to the financial statements

Pension commitments (continued)

The major categories of scheme assets as a percentage of total schemes assets as follows:

	2016	2015
Equities	53%	47%
Bonds	39%	40%
Property	7%	9%
Cash	1%	4%

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2016	2015
Discount rate for scheme liabilities	2.00%	3.80%
Rate of increase in salaries	3.10%	3.60%
Rate of increase for pensions in payments/inflation	2.10%	2.70%
Inflation assumptions (CPI)	2.10%	2.70%

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

	2016 yrs	2015 yrs
Retiring today		
Males	22.3	22.3
Females	24.4	26.7
Retiring in 20 years		
Males	24.1	24.1
Females	26.7	26.7

Amounts for the current and previous three periods are as follows:

Defined benefit pension schemes:

	2016 £'000	2015 £'000	2014 £'000	2013 £'000
Defined benefit obligations	(3,684)	(2,601)	(2,235)	(1,987)
Scheme assets	2,759	2,211	1,868	1,751
Deficit	<u>(925)</u>	<u>(390)</u>	<u>(367)</u>	<u>(236)</u>
Experience adjustments on scheme assets	<u>32</u>	<u>124</u>	<u>(93)</u>	<u>137</u>

Notes to the financial statements (continued)

26 Related party transactions

Owing to the nature of the academy operations and the composition of the board of trustees being drawn from local public and private sectors organisations, may take place with organisations in which a trustee 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 procurement procedures.

The charitable company is related to Ormiston Academies Trust by virtue of common sponsor, The Ormiston Trust. During the year Ormiston Bolingbroke Academy received services amounting to £135,000 from Ormiston Academies Trust and £8,000 from Ormiston Chadwick Academy. At 31 August 2016 £3,336 (2015: £nil) was owed by Ormiston Academies Trust and is included within debtors. At 31 August 2016 £15,275 (2015: £nil) was owed to Ormiston Academy Trust and is included within creditors. The Academy received income of £116,000 from Ormiston Chadwick Academy for services provided and at 31 August 2016 £7,574 (2015: £6,000) was due from Ormiston Chadwick Academy Trust and is included within debtors.

27 Trustees remuneration and expenses

The executive principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Principal and staff, and not in respect of their services in Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees.

	2016 £'000	2015 £'000
J Rigby, Executive Principal (Higher Paid Director)	130-140	140 - 150
A Collier	-	25 - 30
S Crane	-	15 - 20
F O'Neill	-	10 - 15
K Reid	35-40	35 - 40
M Wyss, Principal	75-80	65 - 70

During the year, travel and subsistence expenses totalling £554 (2015: £Nil) were reimbursed to two Trustees (2015: no Trustees).

28 Transition to FRS 102

The year ended 31 August 2016 is the first year that the Academy has presented its financial statements under FRS 102 and the Charities SORP (FRS 102). The following changes are relevant to the Academy's financial statements:

Intangible assets

Computer software costs, with a net book value of £14,000 at 31 December 2015, and were previously included within tangible fixed assets have been reclassified as intangible assets.

Change in recognition of defined benefit plan finance costs

Under previous UK GAAP the Academy recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. No adjustment to the figures presented within the SOFA for the year-ended 31 August 2015 as been made, as the effect of the change is not material to the Academy's financial statements.

