

Company Registration No. 10547353 (England and Wales)

UTTOXETER LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)
TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE PERIOD ENDED 31 AUGUST 2017

entrust
Inspiring Futures

UTTOXETER LEARNING TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 20
Governance statement	21 - 23
Statement on regularity, propriety and compliance	24
Statement of trustees' responsibilities	25
Independent auditor's report on the accounts	26 - 28
Independent reporting accountant's report on regularity	29 - 30
Statement of financial activities including income and expenditure account	31
Balance sheet	32
Statement of cash flows	33
Notes to the accounts including accounting policies	34 - 56

UTTOXETER LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

Mrs A M Hodgson (Appointed 4 January 2017 and resigned 1 October 2017)
Miss L J Andrews (Appointed 4 January 2017 and resigned 1 October 2017)
Mr T J Sutcliffe (Appointed 4 January 2017)
Mr S M Slater (Chair of Trustees) (Appointed 4 January 2017)
Rev M J Sherwin (Appointed 4 January 2017)
Mr D M Osborne-Town (Accounting Officer) (Appointed 4 January 2017)
Mr R A Oldham (Appointed 4 January 2017)
Ms M P Livesey (Appointed 1 September 2017)
Dr V S Bennett (Appointed 4 January 2017)
Mrs E L Bell (Appointed 4 January 2017)

Members

- Diocesan

Church of England Central Education Trust (CECET) (appointed 4 January 2017)
Mr S M Slater (appointed 4 January 2017)
Mr G C Handforth (appointed 4 January 2017)
Mr G R Morley (appointed 4 January 2017)
Prof. E F Barnes (appointed 4 January 2017)

Senior management team

- Chief Executive Officer
- Chief Financial Officer
- Headteacher Thomas Alleyne's High School
- Headteacher Picknalls First School
- Headteacher Windsor Park CE Middle School

Mr D M Osborne-Town
Mr A Storer
Mrs J Rudge
Mrs A Tapp
Mrs L Wilbraham-Jones

Company registration number

10547353 (England and Wales)

Registered office

Thomas Alleyne's High School
Dove Bank
Uttoxeter
Staffordshire
ST14 8DU

Academies operated

Thomas Alleyne's High School
Windsor Park Middle School
Picknalls First School

Location

Uttoxeter
Uttoxeter
Uttoxeter

Headteacher

Mrs J Rudge
Mrs L Wilbraham-Jones
Mrs A Tapp

Independent auditor

Moore Stephens
1 Lakeside
Festival Way
Festival Park
Stoke-on-Trent
ST1 5RY

UTTOXETER LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank plc
PO Box 1000
Andover
BX1 1LT

Solicitors

Trowers & Hamlins
55 Princess St
Manchester
M2 4EW

Other advisors

Entrust Support Services
Riverway Centre
Riverway
Stafford
Staffordshire
ST16 3TH

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT

FOR THE PERIOD ENDED 31 AUGUST 2017

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 4 January 2017 to 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates one First School, one Middle School and one High School, all in Uttoxeter, Staffordshire. Its academies have a combined pupil capacity of 2090 and had a roll of 1608 in the school census on October 2016.

Structure, governance and management

Constitution

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

The constituent academies of the trust are:

- Academy 1: Thomas Alleyne's High School
- Academy 2: Windsor Park CE Middle School
- Academy 3: Picknalls First School

The charitable company is known as Uttoxeter Learning Trust.

The trustees of Uttoxeter Learning Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the period are included in the Reference and Administrative Details on page 1.

Members' liability

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

Members and Trustees

The founding members of the trust

1. Lichfield Diocese Corporate Member
 - Colin Hopkins, Director of Education, Lichfield Diocese
 - Lead for CECET: Church of England Education Trust which delivers school improvement and education services to Birmingham and Lichfield dioceses, including CPD and leadership development
2. Lichfield Diocese Member and Chair of Board of Trustees: Sid Slater
 - Education Adviser with Department for Education working on Free Schools including mainstream and post 12 colleges (from assessment, interview, pre-opening, opening and monitoring until Ofsted),
 - Education consultant and ex secondary Headteacher
3. Business Transformation Member: Glenn Handforth:
 - Director, theideasfacility – business consultancy and training
 - Glenn works with multi-national businesses as a consultant.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

4. Education, Careers and Industry: Graham Morley
 - Chief Executive Principal of South Staffordshire FE College (including Cannock FE College, Tamworth FE College, Rodbaston Agricultural College and Rodbaston UTC) - £27m turnover; including amalgamation of the 3 FE colleges in 2008
 - Rodbaston UTC sponsor
 - Deputy Lord Lieutenant for Staffordshire
5. Education and Academic Progression (HE): Professor Liz Barnes
 - Vice Chancellor of Staffordshire University

The governors of the trust (also known as trustees or directors) – they are responsible for the core strategic functions

1. Chair of Board (and CoE): Sid Slater (see above)
2. Finance Director: to be appointed (following resignation of predecessor)
3. HR Director (and CoE): Emily Bell, solicitor specialising in HR
 - Qualified lawyer LLB
 - Trustee: St John's College, Oxford, Remuneration Committee
4. School Improvement Director: Trevor Sutcliffe
 - School Improvement Consultant (Insight) (ex Staffordshire County Council District Commissioner for School Improvement, specialising in monitoring, evaluation and analysis of data, and on supporting schools requiring improvement, in RI and SM)
5. Special Needs (and CoE): Vicky Bennett,
 - Dentist (p/t): NHS special care dentistry working with physical and learning difficulties
6. IT: Robin Oldham
 - Staffordshire University admissions tutor and lecturer in computing and IT
 - Schools liaison (including ex 14-19 liaison) and IT/Computing training programmes for schools
7. Rev Margaret Sherwin, CoE Trustee
 - Rector of Uttoxeter (CoE)
 - Ex trustee of a MAT where she worked in the NW
8. CEO: Mike Osborne-Town (ex officio): Uttoxeter MAT Chief Executive Officer (0.4fte)
 - Non-executive director and school improvement consultant at Entrust Education Support Services (Capita/ Staffs CC joint venture)
 - Ex secondary Headteacher

Trustees' indemnities

Trustees in the Uttoxeter Learning Trust are insured relating to governors' indemnity through the Department for Education insurance scheme for academies, the Risk Protection Arrangement, which provides unlimited indemnity cover.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

Method of recruitment and appointment or election of trustees

The Articles of Association (para 45) specify that there should be no more than 13 trustees and 5 members. Members should appoint up to 7 trustees (para 50) and the Lichfield Diocese, through its educational arm CECET, up to 40% of the total number. The ULT terms of reference determine that the Chair of the Board of Trustees should be appointed annually from the trustees by the members. The term of office is 4 years and providing the trustee remains eligible to be a particular type of trustee, any trustee may be re-appointed or re-elected.

Trustees are recruited by invitation or advertising from people who are able to benefit the academy trust by their knowledge and expertise. The Board and its committees should have the appropriate balance of skills and knowledge of the company to enable them to discharge their respective duties and responsibilities effectively. The search for board candidates are conducted, and appointments made, on merit, against objective criteria and with due regard for the benefits of diversity on the board, including gender.

Policies and procedures adopted for the induction and training of trustees

The induction and training process for trustees would normally include:

- Meetings with the board of trustees and the senior leadership team of the academy trust;
- Attending a trustees' meeting before becoming a trustee;
- Visits to key locations or service providers;
- Ongoing training in legislation and responsibilities;
- Allocation of a mentor or buddy from within the existing board of trustees; and
- An induction pack which includes, but not limited to, the academy development pack and ESFA Academies Financial Handbook.

Organisational structure

Members - (meeting termly)

Members have an "eyes on, hands off" overview of the governance arrangements of the trust.

Quorum: 50%

- Appoint a Chair, on an annual basis, from amongst its Members.
- Appoint the Chair of the Board of Trustees, who will also serve as a Member.
- Appoint and remove trustees and appoint and remove members via a special resolution (requiring 75% to agree).
- Remove auditors (requiring a majority vote to agree)
- Ensure compliance with Articles of Association, including agreeing and amending.
- Receive and challenge the annual accounts.
- Hold the Board of Trustees to account, including through the Vision, Values and Strategic Direction statement and the MAT Improvement Plan.
- The Chair of the Board should have the final say in the case of any disagreements between the Members and the Board of Trustees.
- Decisions: Ordinary resolutions require a majority of Members and special resolutions require 75% to agree.
- Request, receive and challenge information from the Board of Trustees in order to discharge their role as members as defined in the Articles of Association.
- Meet 3 times per year, including the AGM with Trustees.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

Board of Trustees (meeting half-termly, plus the AGM)

Trustees are company directors of the Uttoxeter Learning Trust, which is registered at Companies House. They are "responsible for controlling the Trust's management and administration...directing its affairs and ensuring that it is solvent, well-run, and delivering the trust's charitable outcomes for the benefit of the public" (AFH p7).

Quorum: 3 Trustees or 33%, whichever is greater

- The Chair shall also serve as a Member in order to ensure effective connectivity between Members and Trustees
- Determine and review the strategic direction of the MAT, reviewing and revising as appropriate the Vision, Values and Strategic Direction statement in partnership with the Members.
- Take responsibility for, approve and evaluate the overall MAT Improvement Plan and targets, and ensure the individual academy improvement plans both inform it and are consistent with it.
- Support and challenge the Local Governing Bodies of academies, including by considering any issues brought from the Headteacher Professional Board by the Headteacher Executive representatives and from the School Representation Group by the School Representation Executive representatives (Chairs of Governors) – and intervene when the Board of Trustees thinks it is necessary.
- Invite representative Headteachers and Chairs of LGBs to each board meeting in order to ensure effective communication and accountability.
- Appoint the Chairs and Vice Chairs of the Board, Finance and Education Committees annually.
- Appoint, and if required, dismiss Executive Leaders and all other key roles for all academies within ULT, ensuring effective and efficient processes and procedures are in place for both.
- Oversee the effective performance management of all executive/key roles within ULT including the Chief Executive Officer, who should be performance managed by the Chair of the Board of Trustees.
- Ensure all executive/key roles have processes in place to ensure the effective performance management of all staff.
- Discharge all responsibilities as set out under the Articles of Association, Funding Agreement and Academies Financial Handbook (AFH) NB See Appendix C "Schedule of Requirements, adopting a "do, or explain" approach.
- Ensure robust governance and effective financial management arrangements.
- Ensure a central fund is established and maintained so that targeted investments can be made in staff CPD, buildings, IT infrastructure etc. and that unforeseen circumstances that have a financial impact not covered by insurance can be effectively dealt with by the Trust.
- Approve a written Scheme of Financial Delegation that maintains robust internal control arrangements.
- Approve a balanced budget for each academy and any significant changes to budgets which can draw on unspent funds brought forward from previous years (and minute these approvals).
- Submit to the Education and Skills Funding Agency (ESFA) a budget forecast, notifying the ESFA within 14 days if it is formally proposing to set a deficit budget for the current financial year which it is unable to address, after unspent funds from previous years are taken into account.
- Be able to show that public funds have been used as intended by Parliament (see EFH p51).
- Ensure the publication of up-to-date governance arrangements to comply with the AFH guidance (p21/22).
- Evaluate its own effectiveness (using the DfE MAT self-evaluation template and the APPG/NGA "21 Questions for MATs" guidance).
- Ensure there is accurate and up-to-date documentation and effective communication of the Board's decisions and impact to stakeholders eg parents, the community, LGBs and the Lichfield Diocese.
- Provide Members with information as requested in a timely manner.
- Request, receive and challenge information from the Finance and Education Committees.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

Finance Committee (meeting half-termly prior to the Board)

- Review and take responsibility for the Scheme of Delegation (SoD).
- Take responsibility for all financial decisions across the MAT in accordance with the limits set in the SoD.
- Receive and challenge reports from the Chief Finance Officer and hold the Accounting Officer to account for all financial and audit matters.
- Discharge the functions of an audit committee, thereby providing oversight of the Trust's internal controls and the effective management of assets (see AFH p18).
- Ensure an efficient and robust internal audit process is implemented by an independent qualified auditor that annually considers key aspects of Trust financial performance, internal controls and the effective management of assets and receive the associated reports and monitor the effective implementation of any agreed recommendations.
- Ensure an efficient and robust external audit process is implemented by appointing an independent qualified auditor that annually considers key aspects of Trust financial performance, internal controls and the effective management of assets and receive the associated reports and monitor the effective implementation of any agreed recommendations.
- Ensure financial scrutiny and oversight of each academy and across the MAT.
- Ensure good financial management and effective internal controls to ensure compliance, regularity, propriety and value for money.
- Ensure compliance with the Funding Agreement and the Academies Financial Handbook.
- Ensure sufficient rigour and scrutiny in the budget management process to understand and address variances between the budget that has been set and actual income and expenditure.
- Receive and consider information on financial performance at least 3 times a year, and take appropriate action to ensure ongoing viability.
- Agree admissions policies and monitor admissions, and take overall responsibility for marketing.
- Receive any whistleblowing complaints.
- Manage risk, including setting and managing risk appetite, tolerance and mitigation strategies and reviewing the risk register.
- Be responsible for all health and safety issues and ensure adequate insurance cover.
- Approve staffing decisions.
- Determine a resources, assets and property development plan for across the MAT, and review all significant decisions relating to resources, assets and property, including procurement, maintenance and write-offs.
- Provide the Board of Trustees with information as requested in a timely manner.

Education Committee (meeting half-termly prior to the Board)

- Receive and challenge all reports on pupil performance from the Raising Achievement Board and from national data analyses. This includes an annual report from each academy on attainment and progress in national tests and exams and an interim report on current performance.
- Receive management information that can in turn be presented to the Board in an easily accessible format that enables comparison of the performance of schools across the MAT.
- Agree pupil performance targets.
- Review and evaluate curriculum policies and practice, including social, moral, spiritual and cultural education; health and sex and relationships education; religious education (especially in CoE academies); pupil welfare and extra-curricular provision.
- Review and evaluate the success of provision for particular groups of pupils, including by gender, race, special educational needs, the most able, disabilities and deprivation – and especially children who are looked after.
- Ensure effective independent and impartial careers advice is provided across the Trust academies and accurately measure the progression destination of all leavers.
- Receive reports and evaluate issues relating to pupil behaviour and discipline, including rewards and sanctions, bullying, internet bullying and exclusions.
- Hear parental complaints that have not been resolved by the individual academy complaints procedure.
- Investigate any whistleblowing allegations.
- Ensure all child protection, safeguarding and PREVENT policies and practices are in place and effective.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

- Receive reports on and challenge the provision and effectiveness of staff training, performance management and staff welfare.
- Provide the Board of Trustees with information as requested in a timely manner.

The board of trustees is responsible for the overall strategic direction of the multi-academy trust. The trustees have a duty to act in the fulfilment of the academy trust objects. They set the strategic direction, and determine the policies and procedures of the academy trust whilst holding each academy within the academy trust to account. The trustees meet at least six times a year, and local governing body representatives report to meetings of the board of trustees throughout the year.

Each academy within the academy trust is governed by a local governing body (LGB). The academy LGB is responsible for determining the strategic direction of the academy in accordance with the overall strategic direction of the academy trust. The LGB should engage with the local community, constructively challenge the leadership team of the academy and provide evaluative feedback and supporting evidence to the board of trustees on the impact and effectiveness of the collective and individuals aims, objectives, policies, targets and future plans.

The board of trustees and each LGB do not exercise a managerial role. The leadership and management across the academy trust is delegated by the board of trustees to the Senior Leadership Team within each academy. The Senior Leadership Teams are responsible at an executive level for implementing the policies laid down by board of trustees and reporting back to them through various committees. This includes actions concerning the budget, staffing, and school improvement.

The Chief Executive Officer is the Accounting Officer and is responsible for the authorisation of spending within agreed budgets. Some spending control is devolved to designated budget holders within the hierarchy of limits and in accordance with the approved Financial Regulations and Financial Scheme of Delegation.

Arrangements for setting pay and remuneration of key management personnel

The arrangements for setting the pay and remuneration of the key management personnel of the academy trust are subject to the 'school teachers pay and conditions document and guidance on school teachers pay and conditions'. The determination of leadership pay is in line with the school group size and relevant scale points attributed to the group pay range. The pay of the CEO and CFO is determined as a result of performance management.

Incremental rises are dependent upon the successful completion of the previous years' performance management cycle and quality assured by the Senior Leadership Team within each academy. Recommendations for pay increases are made by the Senior Leadership Team to the academy committee and their decision is validated by the board of trustees at the final meeting of the Autumn term.

Related parties and other connected charities and organisations

The members, board of trustees, academy committee members and the accounting officer all complete a pecuniary interest declaration on an annual basis. This declaration sets out any relationship with the academy trust that is not directly related to their duties within these roles. Each individual is also required to declare a potential 'conflict of interest' if it arises between such declarations. Once a declaration has been made, the individual concerned takes no further part in any decision relating to the matter declared.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

Objectives and activities

Objects and aims

Purpose and Principles

The Uttoxeter Learning Trust aims to break new ground by creating a locality Multi-Academy Trust (MAT) based on the schools of a distinct geographical community. As such it is mixed phase and includes several Church of England schools as well as several small, rural schools. The strengths of this model focus on the principles of:

- **Community, Continuity and Diversity:** Our aim is to incorporate most of the schools in the Uttoxeter area in a phased conversion plan to establish a 3-18, all-through school network. This will create a self-improving school system, and will strengthen the links between the schools, especially the small, village schools. The inclusion of both church and community schools in a 3-tier system will sustain diversity whilst forging common cultural linkages.
- **Partnership and Sustainability:** High quality leadership will build successful learning communities through eg the programme of partnership meetings for Heads, Chairs of Governors and middle leaders held throughout the year to share best practice, and through best value management. This will ensure the sustainability of the 3 tier system and the viability of the small rural schools.
- **Capacity:** As the performance of most of the schools is strong, we have the capacity to support each other to continue to improve. Both pupils and staff will have the chance to benefit from the best that is on offer across the MAT. However, we will look to strengthen this capacity in the future.

Vision

Our vision is of a seamless educational journey for the children and young people from pre-school through to sixth-form and beyond. In our partnership:

- The aspirations and needs of children and young people will be our top priority and at the centre of everything we do.
- All of our children and young people will be equally and highly valued, no matter which academy they are in: no child will be left behind and no school will be left behind. Everyone will be an achiever and every child will be well known within his/her academy.
- We will be single-minded about ensuring that all of our children and young people, individually and collectively, achieve their potential - and even surpass what they expect of themselves.
- Equally we will get the best out of our staff, investing in the best training and development so that they can succeed and thrive in their work across the MAT. We will train new teachers and promote succession planning.
- Our academies will work together, collectively taking responsibility (under the leadership of the Board) for the performance and welfare of all children and young people across the MAT. This means that there will be a seamless transition from one stage to the next, including agreed procedures and assessments, and evidence of performance continuing to improve, both at individual and academy level, from nursery through to post 16, apprenticeships and university.
- We will all - teachers, support staff, headteachers, trustees and governors - take responsibility for all of the children and young people in the partnership, ensuring they share all of the opportunities and best practice on offer.
- We will offer a broad and balanced curriculum across the MAT, recognising local needs and employment patterns, offering careers advice and providing a wide range of curriculum opportunities e.g. creativity, the arts, religious studies and languages.
- We will work as a collegiate, organising action research into best teaching and learning practices, innovating and investing in new ideas, sharing them across the partnership and evaluating their effectiveness. We will develop and share best educational practice, respecting and highlighting what works rather than seeking uniformity; however, we will identify early what is not working and will improve it.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

- We will be outward looking, learning from other academies and MATs and from wider research evidence.
- For parents and families, we will offer choice and diversity across the MAT so that the best features of individual academies are maintained. This includes small, community based academies. As many of our schools are part of the Church of England Lichfield Diocese, we will maintain a close working relationship with diocesan representatives, ensuring that we preserve the distinctive Christian character of these schools.
- All academies will benefit from coherent organisation and management across the partnership, and from the economies of scale and value for money judged by the principles of economy, efficiency and effectiveness.
- We will invest in IT and facilities to create effective learning environments.
- We will build partnerships with business, industry and further and higher education institutions.

There will not be a better, more successful, higher performing MAT than ours, both in terms of achievements and life choices. We will benchmark our achievements against the best, nationally and internationally, through comparing ourselves with similar educational institutions.

Values

We want our children and young people to be happy, caring, respectful and high achieving individuals. We want them to be confident and eager to learn:

- We value effort, hard work and positive attitudes. We will nurture resilient learners with positive mindsets, confident to create and to take up the opportunities life offers. We believe that all children and young people are able learners and that intelligence can be increased through effective teaching and learning and encouragement.
- We value all achievement, both academic and personal, curricular and extra-curricular.
- We value academic attainment, seeking the highest standards of performance and the greatest individual progress.
- As a partnership we will create and sustain a welcoming and inclusive educational community, based on the best human, Christian and other religious values, including British values.
- Our academies will be civilised and safe educational institutions, serving and engaging with their local communities so that our children and young people become good citizens who look after others and respect differences in beliefs, gender, age, sexuality, disability and race.
- Respect will be mutual between children and young people and academy staff, parents and families and community stakeholders.
- All academy employees will be professional and caring, treating colleagues and pupils with a generosity of spirit. They will encourage parents to be proud of their children's achievements and proud of their academy.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

Objectives, strategies and activities

Short Term: First Year

- Ours will be a sponsoring MAT, but will initially include only schools currently part of the existing Uttoxeter Learning Partnership. However, it will be ready to bid for the proposed, local (Uttoxeter) free schools planned by the LA in response to basic need.
- Conversion to academy status will be phased, starting with a group of 3 schools, including the high school, a middle school and a first school; the second cohort will follow in January 2018 with up to 4 further Uttoxeter schools depending on DfE approval, with others in the future according to readiness.
- We will continue to audit the evidence of current performance to ensure that most schools continue to provide at least a good standard of education so that there is the capacity to support any vulnerable schools.
- We will expand our work as strategic partners in local Teaching School Alliances to supplement this capacity.
- We will review and share best educational practice across the MAT and put in place action plans to sustain improvement (and to rectify any underperformance and under achievement through our Raising Achievement Board).
- We will review and share the best management and organisational practices, including seeking best value for money through improvements in economy, efficiency and effectiveness.
- We will ensure that every academy can set a sustainable budget.
- We will develop good working relationships with the Lichfield Diocese, the Local Authority, the Regional Schools Commissioner team and with other local schools.

Medium Term: 2-3 Years

- Attainment and progress figures for children in every academy will be above national averages and will compare well against those of similar schools.
- All will aim to be judged at least good by Ofsted.
- We will develop succession planning programmes so that staff can benefit from effective professional development and can work in any MAT institution appropriate to their phase (and cross-phase where possible).
- We will ensure the effectiveness of small institutions by promoting closer working relationships between them, and joint leadership and management (where appropriate and agreed).
- We will become an effective self-improving school system, sharing our expertise and successes and developing further our resources and capacity in order to support each other and any external educational partners.
- We will aim to become a Teaching School Alliance, offering opportunities for training, professional development, leadership and research across the region.
- When we are secure in our effectiveness as a MAT, and in our resources and capacity to work externally, we will expand the MAT to include academies from outside the Uttoxeter Learning Partnership. However, this expansion will be one academy at a time, ensuring success before expanding further.

Longer term: 3-5 Years

- We aim for all of our academies to be performing in the top 25% nationally when compared with similar academies, and some will be judged outstanding. None will be less than good.
- We will aim develop the MAT to include 15-20 academies, geographically close to Uttoxeter.

Equal Opportunities

The trust is committed to employment policies which follow best practice based on equal opportunities for all employees irrespective of age, disability, gender reassignment, race, religion or belief, sex, sexual orientation, marriage and civil partnership and maternity as determined in the Equality Act 2010. The trust gives full and fair consideration to applications for employment from disabled persons having regard to their particular aptitudes and abilities.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

Public benefit

The trustees confirm that they have referred to the guidance contained in the Charity Commissioner's general guidance on public benefit when reviewing the academy trust objective and aims and in planning future activities for the period. The trustees consider that the academy trust can clearly demonstrate that its aims are to advance education for public benefit.

Strategic report

Achievements and performance

Progress on First Year's Strategic Objectives Over First 5 Months

- **Objective:** Ours will be a sponsoring MAT, but will initially include only schools currently part of the existing Uttoxeter Learning Partnership. However, it will be ready to bid for the proposed, local (Uttoxeter) free schools planned by the LA in response to basic need. Progress: ULT Headteachers are preparing to draft an application to sponsor the first of the planned new First Schools.
- **Objective:** Conversion to academy status will be phased, starting with a group of 3 schools, including the high school, a middle school and a first school; the second cohort will follow in groups according to readiness. Progress: Picknalls First School, Windsor Park CE Middle School and Thomas Alleyne's High School have together formed the ULT. All Saints First School (Church Leigh), Hutchinson Memorial CE First School, Ryecroft CE Middle School and Oldfields Hall Middle School have all been approved by the DfE to join the ULT and are undergoing the conversion process with the intention of opening as ULT academies in January 2018.
- **Objective:** We will continue to audit the evidence of current performance to ensure that most schools continue to provide at least a good standard of education so that there is the capacity to support any vulnerable schools. Progress: All 3 founder schools have been inspected by Ofsted during the last 2 years and have been judged "Good". DfE analysis of outcomes shows that all 3 are achieving at least expected outcomes for both attainment and progress and often better than expected.
- **Objective:** We will expand our work as strategic partners in local Teaching School Alliances to supplement this capacity. Progress: The Thomas Alleyne's SLT is preparing a bid to create a TSA.
- **Objective:** We will review and share best educational practice across the MAT and put in place action plans to sustain improvement (and to rectify any underperformance and under achievement through our Raising Achievement Board). Progress: 2 of the founder schools have been sharing best practice with a 3rd school that had been judged to be coasting. The recent outcomes of that school have greatly improved so that the coasting judgement should be withdrawn. This school was inspected by Ofsted in October 2017 and was judged Good in all areas.
- **Objective:** We will review and share the best management and organisational practices, including seeking best value for money through improvements in economy, efficiency and effectiveness. Progress: School Business managers and finance staff have been meeting regularly to share best practices and to work together to get value for money from joint tenders. Examples of this include a joint grounds contract, accountancy software, budget software, IT networking, auditors, and finance staff.
- **Objective:** We will ensure that every academy can set a sustainable budget. Progress: All 3 schools have set balanced budgets for 2017/18 and are working on measures to ensure that budgets are sustainable in the future.
- **Objective:** We will develop good working relationships with the Lichfield Diocese, the Local Authority, the Regional Schools Commissioner team and with other local schools. Progress: ULT staff have held regularly meetings and worked constructively with all of the stakeholders above

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

Key performance indicators

Overall Effectiveness:

All 3 schools were judged as "Good" in their most recent Ofsted inspections.

Pupil Attainment and Progress

Attainment and progress in all 3 schools is currently at or above national averages in most areas as measured in Department for Education performance tables. Provisional results in national assessments in the summer of 2017 suggest this performance has been strengthened in most cases and the overall trajectory of improvement is upwards. We are advised that year by year changes to testing across the phases means that such conclusions are tentative, but there is little doubt that the ULT schools are making significant improvements in performance in many areas. Schools also have clear, practical improvement plans to build on strengths and remove areas of relative weakness. Heads and Chairs of Governors attend some of the meetings of the Board of Trustees and Education and Finance Committees where they are challenged and held to account, as well as supported and congratulated.

Pupil Attendance

Attendance at all 3 schools is above national averages in each phase and is improving.

Pupil Numbers

Current demographics show an increase in the number of children living in the area. This increase is now benefiting the First School, which is full. However, it has not yet worked its way into the Middle and High Schools, both of which are significantly under their Pupil Admission Numbers (PANs). Their pupil rolls begin should begin to rise in the next 2-3 years and will increase significantly over the next 10 years according to Local Authority projections.

Going concern

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

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

Financial review

The schools in the Uttoxeter Learning Trust are suffering significant cost pressures because significant cost increases are not being funded in the annual budget allocations. These include staff pay rises, increases in National Insurance and pension contributions and inflation increases. Therefore, the schools are having to make savings against budget headings. Thomas Alleyne's and Windsor Park are both suffering from the demographic dip in births and are at their lowest in terms of pupil numbers. From 2018/19, pupil numbers will start to increase in these schools as higher numbers come through from First Schools and as a result of new house builds in the area. County Council projections show a gradual and significant increase in pupil numbers over the next 10 years. However, these increases may be offset by the increase in admissions in nearby schools and the opening of a new secondary school in an adjacent area in September 2018.

In 2017/18, each school had a carry-forward from the previous year, but this carry-forward is being used to set the current year's budget. The schools are all working towards an in-year balance in which the allocated income at least matches the annual expenditure. The reserves are being used to underwrite the transition to in-year balances.

Income for the period was £19,919,504 of which £3,336,297 was provided by the Department of Education (DfE) via the Education and Skills Funding Agency (ESFA) by means of standard grants to cover operational and capital costs. This was supplemented by donations and capital grants and other trading activities including third party lettings and funds generated by extended school activities which totalled £178,947. The remaining income was from balances on conversion of £16,404,260.

All expenditure supports the academy trust key objectives to deliver quality education to our pupils and community. Expenditure for the period was £3,495,782 with the largest element of this expenditure being attributed to staff costs totalling £2,720,275 for the period. The depreciation charge on assets of £274,466 has been included. Net Income for the period was £16,423,722.

The academy trust element of the Staffordshire Pension fund that forms part of the Local Government Pension Scheme was valued at 31 August 2017, showing a net deficit of £2,664,000.

As at 31 August 2017, the net book value of fixed assets was £18,300,119 and the movement in tangible fixed assets are shown in Note 12 of the financial statements. The assets were used exclusively in providing education and the associated support services to the pupils across the ULT.

The ULT complies with the principles of financial control as outlined in the Academies Financial Handbook and the Accounts Direction. The financial procedures, Scheme of Delegation and Value for Money statement together with systems of financial control ensure that the ULT conforms to the requirements of propriety, regularity and sound financial management.

The Board of Trustees is accountable for the allocation of resources to meet the objectives set out in the ULT Improvement Plan. The Accounting Officer together with the Finance Committee is responsible for reviewing the financial procedures on an annual basis and recommending approval to the main Board of Trustees. Individual school budgets are monitored on a monthly basis with reports and commentary on income and expenditure against budget provided to the Finance Committee at their twice termly meetings and reported to the Board of Trustees meetings the following week.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

Reserves policy

Principles

- The MAT Board will keep central costs and charges to a minimum.
- People will be employed centrally only where there is an agreed need and it is more cost effective.
- Resources and services will be procured centrally only where these lead to a reduction in costs (and quality is at least maintained)
- The MAT Board will seek economies of scale as long as these are effective eg through shared staffing and collective purchasing
- Academy LGBs will be encouraged to be entrepreneurial in maximising income eg linked to renting out property, and will retain any profits
- Reserves should only be used to balance individual school budgets in the short-term. (Schools should normally achieve an in-year balance.)
- Individual academy carry-forwards will normally be retained to be used by the LGB
- Earned Responsibility: An academy that is performing well and is well led and managed will be able to take responsibility for its own budget after central costs are deducted. An academy that is not performing well may have to have its devolved budget managed centrally so that the LGB can concentrate on school improvement priorities.

MAT Central Costs:

The MAT will normally retain 5% of the ESFA (GAG) funding from each of the academies to spend on agreed central activities (see below). However, taking into account the principle of keeping central costs and charges to a minimum, and the determination that every academy should work towards an in-year balanced budget before any carry-forwards run out, the MAT will have to minimise central costs, at least until pupil rolls start to increase. Therefore, the top-slice should be determined by the MAT Board and reviewed annually. The Board reserves the right to make a charge of up to 7% for any academies in Ofsted Requires Improvement/Special Measures categories that join the MAT (in the future). Currently, the ULT is retaining 2.5% for central costs.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

Central costs may be used for:

Business Management Services

- Central Employees: Salaries of MAT central employees eg CEO, CFO (and any MAT finance staff serving all of the academies), Clerk to the Board and School Improvement Consultant (when needed)
- Central Services: If and when these are agreed eg banking, legal, HR, auditors, licences, catering, cleaning, grounds
- Central Procurement: Resources, materials, software, photo-copying – where agreed
- Appointments and Marketing: Shared advertising and associated costs (if sufficient funds are available)

External Reviews and Subscriptions

- Safeguarding, governance and other reviews of ULT statutory procedures and activities
- ULT group subscriptions eg to NGA, The Key

School Improvement Services

- Curriculum: Assessment and curriculum resources
- Innovations: Development of new initiatives and resources
- School Improvement Support: Deployment of MAT school improvement consultant; costs of external expertise eg from Teaching School Alliances; re-charge to MAT partner school for supply costs for support (only where necessary) NB Inter-school support will be reciprocated wherever possible so that such costs are minimised eg for peer reviews
- Training: MAT training days and resources, MAT Board/LGB CPD

Reserves may be used for:

- Capital and infrastructure development (in addition to any successful condition improvement fund bids)
- IT network development and software
- Balancing individual school budgets in the short-term. NB Each school should normally achieve an in-year balance of income and expenditure.
- Security against unforeseen risks

To be reviewed July 2018

Any reserves held are in accordance with the requirements laid down in the Master Funding Agreement and by the Education & Skills Funding Agency. The level of reserves held takes into account the nature of income and expenditure streams, the need to match them to commitments, including future capital projects, and the need to maintain sufficient reserves to cover any unexpected urgent expenditure requirements, especially to buildings repair not covered by insurance. The board of trustees will review the level of reserves and Charging and Reserves policy annually.

As at 31 August 2017 the academy trust has total reserves of £16,249,722 made up of fixed asset reserves of £18,329,286, Pension deficit of £2,664,000 and free reserves of £584,436. Free reserves are made up of unrestricted funds of £362,182 and restricted funds of £222,254. The ULT has been cautious in its spending over the first 5 months of operation (April to August 2017). Charging has been limited to 2.5% in order that the schools retain maximum resources to balance their budgets, which currently rely on budget carry-forwards. Therefore reserves have been utilised to help to balance budgets in the short-term whilst working towards in-year budgetary balances before reserves are depleted.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

Investment policy and powers

Purpose and scope

The purpose of the Investments Policy is to set out the processes by which ULT trustees will meet their duties under the ULT Articles of Association and Academies Financial Handbook issued by the ESFA to invest monies surplus to operational requirements in furtherance of the ULT charitable aims and to ensure that investment risk is properly and prudently managed.

Definition of duties

The ULT Articles gives Trustees the power "to expend the funds of the ULT in such manner as they shall consider most beneficial for the achievement of the Objects and to invest in the name of the ULT such part of the funds as they may see fit and to direct the sale or transposition of any such investments and to expend the proceeds of any such sale in furtherance of the Objects."

Whilst the Board of Trustees has responsibility for the ULT finances, the Scheme of Delegation delegates responsibility to the ULT Finance Committee:

- To approve the Investments Policy to manage, control and track financial exposure, and ensure value for money;
- To review the trust's investments and investment policy on a regular basis.

The Chief Finance Officer is responsible for producing reliable cash flow forecasts as a basis for decision making. S/he responsible for making investment decisions that comply with this Policy and for providing sufficient management information to the Finance Committee so it can review and monitor investment performance.

Objectives

The investment objectives are:

- To achieve best financial return available whilst ensuring that security of deposits takes precedence over revenue maximisation.
- Only invest funds surplus to operational need based on all financial commitments being met without the ULT bank account becoming overdrawn.
- By complying with this policy, all investment decisions should be exercised with care and skill and consequently be in the best interests of the ULT, commanding broad public support.

Investment strategy

Investment risk will be managed through asset class selection and diversification to ensure that security of deposits takes precedence over revenue maximisation.

For selection, assets will only be considered with banking institutions which have credit ratings assessed by Fitch and or Moody to show good credit quality.

To manage the risk of default, deposits should be spread by banking institution and be subject to a maximum exposure of £500,000 with any PRA authorised institution by the Bank of England (refer to Financial Conduct Authority (FCA)). Whilst this exceeds the protection limit of £75,000 provided by the FCA it is accepted that it is not always practicable to find a sufficient number of investments of this size that meet the prudent criteria outlined in this policy.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

Spending and liquidity policy

Decisions on how much to invest and how long to invest for, will be based on operational requirements, demonstrated by cash flow forecasts produced by the Chief Finance Officer. The cash flow forecasts will take account of the annual budget and spending plans approved by the ULT Finance Committee and updated on a monthly basis.

A sufficient balance must be held in the current account so that the ULT financial commitments can always be met without the bank account going overdrawn. The size of the balance will be determined by a forecast of future need and kept under review.

Investments for a fixed term should not normally exceed one year in order to provide flexibility for the following year's plans, unless a clear rationale is provided for exceeding one year to the benefit of the ULT.

Monitoring and review

The ULT has authorized signatories, two of which are required to sign instructions to the deposit taking institution.

The Chief Finance Officer will monitor the cash position and cash flow forecast and report investments held and the performance of investments against objectives to the ULT Finance Committee at appropriate intervals, depending on the terms of the investments. For example, if investments are held one year, then an annual report is appropriate.

This Investment Policy has been approved by the ULT Finance Committee. It will be reviewed by the ULT Finance Committee on an annual basis to ensure continuing appropriateness.

The investment policy supports the reserves policy. The academy trust seeks to adopt a cautious, prudent and well-diversified investment stance taking into account future cash flow projections to balance potential returns with appropriate levels of risk whilst attracting as high an interest returns as possible.

For the period of April to August 2017, the first 5 months of the ULT, no investments were made because the cashflow was insufficient to do so. This was a result of the school reserves and carry-forwards not being released by the Local Authority until August 2017.

Principal risks and uncertainties

A review of the principal risks highlights the financial risk involved in the reliance on Government funding and the limited influence of the academy trust on the level and future of this funding. Immediate risks relating to pupil numbers have been highlighted above. Other risks include competition for pupils from other local schools, particularly in the secondary sector. The proposed National Funding Formula being implemented over 2018/2020 mitigates some of these risks financially.

The deficit on the Local Government Pension Scheme of £2,664,000 presents a concern. However, Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that in the event of academy closure, outstanding local government pension scheme liability would be met by the Department for Education. This guarantee came into force on 18 July 2013.

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

Plans for future periods

The Strategy for the Medium Term (2-3 years) and Longer Term (3-5 years) are outlined above in the Objectives and Activities section. This strategy is supported by detailed school improvement plans for each school and the ULT Improvement Plan below:

MAT Development	Y1: 5 founder academies established Y2: 7 further schools join MAT Ys3-5: 3rd cohort of 4 schools MAT development outside Uttoxeter New schools Ys 3-5: 15-20 schools in MAT
Performance	Y1: Good/Outstanding Ofsted judgements Y3-5: All schools in top 25% of similar schools by attainment and progress
School Improvement	Y1: Ed Comm/RAB effective Y2: Ryecroft support successful Y2-3: Teaching School Alliance established Training and succession planning programme reviewed Headteacher triads effective
Sustainable Budgets	Ys 2-3: In-year balanced budgets Financial procedures effective Development Plan in place Marketing plan effective
Governance	Communication between Board Members, Trustees and Local Governing Boards effective

UTTOXETER LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

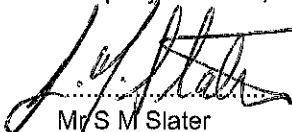
Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

A resolution proposing that Moore Stephens be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 27/12/2017 and signed on its behalf by:



Mr S M Slater

Chair of Trustees

UTTOXETER LEARNING TRUST

GOVERNANCE STATEMENT

FOR THE PERIOD ENDED 31 AUGUST 2017

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Uttoxeter Learning 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 chief executive officer, 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 Uttoxeter Learning Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 2 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
Mrs A M Hodgson (Appointed 4 January 2017 and resigned 1 October 2017)	0	2
Miss L J Andrews (Appointed 4 January 2017 and resigned 1 October 2017)	0	2
Mr T J Sutcliffe (Appointed 4 January 2017)	1	2
Mr S M Slater (Chair of Trustees) (Appointed 4 January 2017)	2	2
Rev M J Sherwin (Appointed 4 January 2017)	2	2
Mr D M Osborne-Town (Accounting Officer) (Appointed 4 January 2017)	2	2
Mr R A Oldham (Appointed 4 January 2017)	2	2
Ms M P Livesey (Appointed 1 September 2017)		
Dr V S Bennett (Appointed 4 January 2017)	2	2
Mrs E L Bell (Appointed 4 January 2017)	1	2

A new Trustee (an accountant) has been appointed to the Board and Finance Committee (as Finance Director and Chair of Finance), and an extra Trustee (an ex First School Headteacher) has been appointed to the Board and Education Committee.

Review of Governance: Planned for the summer of 2018 (when the ULT will have been in operation for 12 months).

UTTOXETER LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

The finance committee is a sub-committee of the main board of trustees. Its purpose is to:

Focus on Budgets, tenders, value for money, external and internal audit, risk assessments, property and policy review.

Attendance at meetings in the period was as follows:

Trustees	Meetings attended	Out of possible
Miss L J Andrews (Appointed 4 January 2017 and resigned 1 October 2017)	2	2
Mr S M Slater (Chair of Trustees) (Appointed 4 January 2017)	2	2
Mr D M Osborne-Town (Accounting Officer) (Appointed 4 January 2017)	2	2
Dr V S Bennett (Appointed 4 January 2017)	1	2
Mrs E L Bell (Appointed 4 January 2017)	1	2

Review of value for money

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

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

- going out to tender for services including the IT network, accountancy software, solicitors and external auditors and accepting the lowest tender. All has proved value for money.

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 Uttoxeter Learning Trust for the period 4 January 2017 to 31 August 2017 and up to the date of approval of the annual report and accounts.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 4 January 2017 to 31 August 2017 and up to the date of approval of the annual report and accounts. This process is regularly reviewed by the board of trustees.

UTTOXETER LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

The risk and control framework

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

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

The board of trustees has identified the need for a specific internal audit function, and have appointed Staffordshire County Council after the end of the period.

The internal auditor's role and the checks to be performed are being progressed, to begin a programme of work in the 2017-18 academic year.

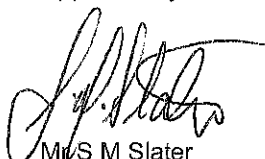
Review of effectiveness

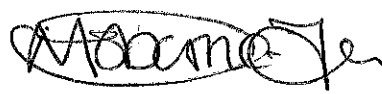
As accounting officer the chief executive officer has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust 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 committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 27/12/2017 and signed on its behalf by:


Mr S M Slater
Chair of Trustees


Mr D M Osborne-Town
Accounting Officer

UTTOXETER LEARNING TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE PERIOD ENDED 31 AUGUST 2017

As accounting officer of Uttoxeter Learning Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust's 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 2016.

Except for the matters detailed below, 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 ESFA.

Publishing information about governance structures

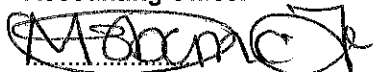
During the period under consideration the Academy Trust had not published on its websites up to date details of all of the governance arrangements as required by the Academies Financial Handbook 2016.

Internal audit procedures

During the period under consideration the Academy Trust had not formulated a process for independent checking of financial controls, systems, transactions and risks.

Mr D M Osborne-Town

Accounting Officer



27/12/2017

UTTOXETER LEARNING TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE PERIOD ENDED 31 AUGUST 2017

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

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

In preparing these accounts, the 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 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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 accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The 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 that grants received from ESFA/DfE have been applied for the purposes intended.

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

Approved by order of the board of trustees on 27/12/2017 and signed on its behalf by:


Mr S M Slater
Chair of Trustees

UTTOXETER LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UTTOXETER LEARNING TRUST

Opinion

We have audited the accounts of Uttoxeter Learning Trust for the period ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017.

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. 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 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

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

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

We have nothing to report in this regard.

UTTOXETER LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UTTOXETER LEARNING TRUST (CONTINUED)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the incorporated strategic report for the financial period for which the accounts are prepared is consistent with the accounts; and
- the Trustees' Report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the academy trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report, including the incorporated strategic report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, the trustees are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of accounts that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

UTTOXETER LEARNING TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UTTOXETER LEARNING TRUST (CONTINUED)

A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Moore Stephens.

Ashley M Conway (Senior Statutory Auditor)

for and on behalf of

Moore Stephens, Statutory Auditor

Chartered Accountants

1 Lakeside

Festival Way

Festival Park

Stoke-on-Trent

ST1 5RY

2 / 1 / 2018 .

UTTOXETER LEARNING TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO UTTOXETER LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated 19 October 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Uttoxeter Learning Trust during the period 4 January 2017 to 31 August 2017 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 Uttoxeter Learning Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Uttoxeter Learning Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Uttoxeter Learning Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Uttoxeter Learning Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Uttoxeter Learning Trust's funding agreement with the Secretary of State for Education dated 30 March 2017 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 4 January 2017 to 31 August 2017 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 2016 to 2017 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- consideration of the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance;
- analytical procedures on the general activities of the academy trust;
- a review of minutes of committees and board meetings which may be relevant to regularity;
- consideration of discussions with key personnel including the Accounting Officer and Governing Body;
- tests of control have been carried out on control activities which are relevant to regularity; and
- on a sample basis, substantive testing of individual transactions.

UTTOXETER LEARNING TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO UTTOXETER LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

Conclusion

In the course of our work, except for the matters listed below, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 4 January 2017 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Publishing information about governance structures

During the period under consideration the Academy Trust had not published on its websites up to date details of all of the governance arrangements as required by the Academies Financial Handbook 2016.

Internal audit procedures

During the period under consideration the Academy Trust had not formulated a process for independent checking of financial controls, systems, transactions and risks.

Moore Stephens

Moore Stephens

Chartered Accountants

1 Lakeside

Festival Way

Festival Park

Stoke-on-Trent

ST1 5RY

Dated: 2/1/2018

UTTOXETER LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE PERIOD ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total £
Income and endowments from:					
Donations and capital grants	3	4,599	376	46,033	51,008
Donations - transfer from local authority on conversion	28	335,589	(2,370,772)	18,439,443	16,404,260
Charitable activities:					
- Funding for educational operations	4	4,954	3,405,940	-	3,410,894
Other trading activities	5	52,947	226	-	53,173
Investments	6	169	-	-	169
Total income and endowments		<u>398,258</u>	<u>1,035,770</u>	<u>18,485,476</u>	<u>19,919,504</u>
Expenditure on:					
Raising funds	7	2,250	-	-	2,250
Charitable activities:					
- Educational operations	8	33,931	3,185,135	274,466	3,493,532
Total expenditure	7	<u>36,181</u>	<u>3,185,135</u>	<u>274,466</u>	<u>3,495,782</u>
Net income/(expenditure)		362,077	(2,149,365)	18,211,010	16,423,722
Transfers between funds		-	(118,276)	118,276	-
Other recognised gains and losses					
Actuarial losses on defined benefit pension schemes	21	-	(174,000)	-	(174,000)
Net movement in funds		<u>362,077</u>	<u>(2,441,641)</u>	<u>18,329,286</u>	<u>16,249,722</u>
Reconciliation of funds					
Total funds carried forward		<u>362,077</u>	<u>(2,441,641)</u>	<u>18,329,286</u>	<u>16,249,722</u>

UTTOXETER LEARNING TRUST

BALANCE SHEET

AS AT 31 AUGUST 2017

	Notes	£	£
Fixed assets			
Tangible assets	12		18,300,119
Current assets			
Debtors	14	172,561	
Cash at bank and in hand		1,352,846	
		<u>1,525,407</u>	
Current liabilities			
Creditors: amounts falling due within one year	15	(752,841)	
Net current assets			<u>772,566</u>
Total assets less current liabilities			<u>19,072,685</u>
Creditors: amounts falling due after more than one year	16		(98,748)
Provisions for liabilities	17		(60,215)
Net assets excluding pension liability			<u>18,913,722</u>
Defined benefit pension liability	21		(2,664,000)
Net assets			<u>16,249,722</u>
Funds of the academy trust:			
Restricted funds	19		
- Fixed asset funds			18,329,286
- Restricted income funds			222,359
- Pension reserve			(2,664,000)
Total restricted funds			<u>15,887,645</u>
Unrestricted income funds	19		<u>362,077</u>
Total funds			<u>16,249,722</u>

The accounts set out on pages 31 to 56 were approved by the board of trustees and authorised for issue on 27/12/2017 and are signed on its behalf by:


Mr S M Slater
Chair of Trustees

Company Number 10547353

UTTOXETER LEARNING TRUST

STATEMENT OF CASH FLOWS

FOR THE PERIOD ENDED 31 AUGUST 2017

	Notes	£	£
Cash flows from operating activities			
Net cash provided by operating activities	22		818,153
Cash funds transferred on conversion			633,903
			<u>1,452,056</u>
Cash flows from investing activities			
Interest received		169	
Capital grants from DfE and ESFA		38,033	
Capital funding from sponsors and others		8,000	
Payments to acquire tangible fixed assets		(145,412)	
		<u></u>	<u>(99,210)</u>
Change in cash and cash equivalents in the reporting period			<u>1,352,846</u>
Cash and cash equivalents at 31 August 2017			<u><u>1,352,846</u></u>

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2017

1 Accounting policies

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

1.1 Basis of preparation

The accounts of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Uttoxeter Learning Trust meets the definition of a public benefit entity under FRS 102.

These accounts have been prepared for the period 4 January 2017 to 31 August 2017 which is a period of less than twelve months. Academy trusts are required by the Education and Skills Funding Agency to report annually to 31 August and the academy trust is not permitted under the Companies Act 2006 to extend its accounting reference date to more than eighteen months but it may shorten it.

1.2 Going concern

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

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Uttoxeter Learning Trust to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Land and Buildings

On the transfer date of 1st April 2017, the trust was gifted land and buildings by Staffordshire County Council. These assets have been credited as a donation in the restricted fixed asset funds column of the Statement of Financial Activities and included within tangible fixed assets on the balance sheet.

Other Fixed Assets

Other fixed assets comprising computer equipment were transferred to the academy on 1st April 2017. These assets have been credited as a donation in the restricted fixed asset funds column of the Statement of Financial Activities and included within tangible fixed assets on the balance sheet.

Local Government Pension Scheme (LGPS) Deficit

The obligation relating to the employees in the LGPS scheme that were transferred as part of the conversion from the maintained school were transferred to Uttoxeter Learning Trust on 1st April 2017. The deficit on the LGPS has been debited as a donation in the restricted funds column of the Statement of Financial Activities and included in the LGPS liability on the balance sheet.

Cash

Cash balances at 1st April 2017 in respect of the maintained school and school funds were transferred to Uttoxeter Learning Trust. These cash balances have been credited as a donation in the Statement of Financial Activities under the unrestricted funds column and included within the cash at bank balance on the balance sheet.

Further details of the transaction are set out in note 28.

1.4 Income

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

Grants receivable

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

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

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

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

Donations

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

Other income

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

1.6 Tangible fixed assets and depreciation

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

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

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

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

Leasehold land and buildings	7 - 125 years
Computer equipment	3 years
Fixtures, fittings & equipment	10 years

In addition to the long leasehold land and buildings the Academy Trust also occupies property held under a church supplemental agreement which permits occupancy of the premises with a notice period of two years. The Academy Trust is not able to exercise control over this property and therefore no fixed asset has been recognised in these 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.

1.7 Liabilities

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

1.8 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.

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

1.9 Leasing and hire purchase commitments

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

1.10 Financial instruments

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

Financial assets

Trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities

Trade creditors and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition.

Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by chapter 3 part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.12 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

1 Accounting policies

(Continued)

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

1.13 Fund accounting

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

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

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

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

2 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement

The Academy Trust occupies land and buildings held under a church supplemental agreement. The freehold title to this property is held by The Lichfield Diocesan Board of Education. Under the church supplemental agreement the Academy Trust is permitted occupancy of the premises with a notice period of two years, and no rental is payable under this arrangement. The Trustees do not consider that the Academy Trust is able to exercise control over the property and therefore the property does not meet the definition of an asset of the Academy Trust and has not been recognised as a fixed asset in these financial statements. The market value of the donated facility has not been recognised in the financial statements as the Trustees consider that no reliable measure is available.

The trustees have considered the apportionment of depreciation between direct and support costs. The buildings and equipment are almost entirely used for the provision of education and only a small part for support services. Therefore a 90% direct cost and 10% support cost apportionment is considered appropriate.

3 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total £
Capital grants	-	46,033	46,033
Other donations	4,599	376	4,975
	<u>4,599</u>	<u>46,409</u>	<u>51,008</u>

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2017

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total £
DfE / ESFA grants			
General annual grant (GAG)	-	2,977,743	2,977,743
Start up grants	-	75,000	75,000
Other DfE / ESFA grants	-	283,554	283,554
	-	3,336,297	3,336,297
Other government grants			
Local authority grants	-	50,736	50,736
Other funds			
Other incoming resources	4,954	18,907	23,861
Total funding	4,954	3,405,940	3,410,894

5 Other trading activities

	Unrestricted funds £	Restricted funds £	Total £
Hire of facilities	14,497	-	14,497
Catering income	387	-	387
Music tuition	830	185	1,015
Parental contributions	14,687	1	14,688
Other income	22,546	40	22,586
	52,947	226	53,173

6 Investment income

	Unrestricted funds £	Restricted funds £	Total £
Short term deposits	169	-	169

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

7 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total £
Expenditure on raising funds	-	-	2,250	2,250
Academy's educational operations				
- Direct costs	2,258,539	246,692	126,787	2,632,018
- Allocated support costs	461,736	196,052	203,726	861,514
	<u>2,720,275</u>	<u>442,744</u>	<u>332,763</u>	<u>3,495,782</u>

Net income/(expenditure) for the period includes:

	£
Fees payable to auditor for:	
- Audit	7,500
- Other services	3,250
Operating lease rentals	4,832
Depreciation of tangible fixed assets	274,466
Net interest on defined benefit pension liability	27,000

Central services

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

- human resources;
- financial services;
- legal services;
- educational support services;

The academy trust charges for these services on the following basis:

- 2.5 percent of GAG income

The amounts charged during the period were as follows:

	Total £
Thomas Alleyne's High School	38,076
Windsor Park Middle School	15,215
Picknalls First School	9,946
	<u>63,237</u>

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

8 Charitable activities

	Unrestricted funds £	Restricted funds £	Total £
Direct costs - educational operations	13,089	2,618,929	2,632,018
Support costs - educational operations	20,842	840,672	861,514
	<u>33,931</u>	<u>3,459,601</u>	<u>3,493,532</u>

Analysis of support costs

Support staff costs	461,736
Depreciation	27,774
Technology costs	1,193
Premises costs	143,730
Other support costs	193,037
Governance costs	34,044
	<u>861,514</u>

9 Staff costs

	£
Wages and salaries	2,032,051
Social security costs	192,082
Operating costs of defined benefit pension schemes	435,162
Staff costs	<u>2,659,295</u>
Supply staff costs	30,242
Staff restructuring costs	10,000
Staff development and other staff costs	20,738
Total staff expenditure	<u>2,720,275</u>

Staff numbers

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

	Number
Teachers	99
Administration and support	132
Management	5
	<u>236</u>

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

9 Staff costs

(Continued)

Higher paid staff

The number of employees whose employee benefits (excluding employer pension costs) exceeded £25,000 for the five month period (£60,000 annually) was:

	Number
25,000-30,000	2
30,000-35,000	2
	<u>2</u>

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £10,000. Individually, the payment was £10,000.

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £129,763.

10 Trustees' remuneration and expenses

One or more of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The chief executive officer and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of chief executive officer and staff members under their contracts of employment, and not in respect of their services as trustees.

The value of trustees' remuneration and other benefits for the five month period was as follows:

D M Osborne-Town(chief executive officer):

- Remuneration £15,000 - £20,000
- Employer's pension contributions £0 - £5,000

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

11 Trustees and officers insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides unlimited cover. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

12 Tangible fixed assets

	Leasehold land and buildings £	Computer equipment £	Fixtures, fittings & equipment £	Total £
Cost				
Transfer on conversion	18,417,247	11,926	-	18,429,173
Additions	-	76,157	69,255	145,412
At 31 August 2017	18,417,247	88,083	69,255	18,574,585
Depreciation				
Charge for the period	269,264	4,625	577	274,466
At 31 August 2017	269,264	4,625	577	274,466
Net book value				
At 31 August 2017	18,147,983	83,458	68,678	18,300,119

13 Financial instruments

	£
Carrying amount of financial assets	
Debt instruments measured at amortised cost	5,824
Carrying amount of financial liabilities	
Measured at amortised cost	453,766

Financial assets measured at amortised cost comprise trade debtors.

Financial liabilities at amortised cost comprise trade creditors, and some other creditors.

14 Debtors

	£
Trade debtors	5,824
VAT recoverable	66,237
Other debtors	55
Prepayments and accrued income	100,445
	172,561

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

15 Creditors: amounts falling due within one year

£

Trade creditors	272,612
Other taxation and social security	113,788
Other creditors	133,261
Accruals and deferred income	233,180
	<u>752,841</u>

Included within other creditors are loans of £82,406 from Staffordshire County Council which is provided at an interest rate of 0.5 percent above Bank of England rate with yearly instalments.

16 Creditors: amounts falling due after more than one year

£

Other creditors	98,748
	<u>98,748</u>
Debt due in one year or less	82,406
Due in more than one year but not more than two years	37,855
Due in more than two years but not more than five years	60,893
	<u>181,154</u>

Included within other creditors are loans of £136,603 from Staffordshire County Council which is provided at an interest rate of 0.5 percent above Bank of England rate with yearly instalments.

17 Provisions for liabilities

Acquired on conversion	54,215
Provided for in the year	<u>6,000</u>
Balance at 31 August 2017	60,215

Included in provisions is an amount of £56,715 relating to the cost of replacement of the floodlit synthetic pitch which is jointly held by the Trust and East Staffordshire Borough Council. Also included in provisions is an amount of £3,500 relating to a severance payment for a member of staff acquired on conversion.

18 Deferred income

£

Deferred income is included within:	
Creditors due within one year	127,007
	<u>127,007</u>
Amounts deferred in the period	127,007
	<u>127,007</u>
Deferred income at 31 August 2017	127,007

At the balance sheet date the academy trust was holding funds received in advance for Universal Infant Free School Meals, Special Educational Needs, Rates relief, National Heritage, Sports funding, and School Improvement grants. Deferred income also includes fees received from parents in advance for trips booked for the next year.

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

19 Funds

	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2017 £
Restricted general funds				
General Annual Grant	2,977,743	(2,811,528)	(63,255)	102,960
Start up grants	75,000	(25,752)	-	49,248
Other DfE / ESFA grants	283,554	(205,779)	(55,021)	22,754
Other government grants	50,736	(9,711)	-	41,025
Other restricted funds	31,737	(25,365)	-	6,372
	<u>3,418,770</u>	<u>(3,078,135)</u>	<u>(118,276)</u>	<u>222,359</u>
Funds excluding pensions				
Pension reserve	(2,383,000)	(107,000)	(174,000)	(2,664,000)
	<u>1,035,770</u>	<u>(3,185,135)</u>	<u>(292,276)</u>	<u>(2,441,641)</u>
Restricted fixed asset funds				
Transferred on conversion	18,439,443	(272,307)	-	18,167,136
DfE / ESFA and other capital grants	46,033	(1,582)	-	44,451
Capital expenditure from non capital grants	-	(577)	118,276	117,699
	<u>18,485,476</u>	<u>(274,466)</u>	<u>118,276</u>	<u>18,329,286</u>
Total restricted funds	<u>19,521,246</u>	<u>(3,459,601)</u>	<u>(174,000)</u>	<u>15,887,645</u>
Unrestricted funds				
General funds	398,258	(36,181)	-	362,077
Total funds	<u>19,919,504</u>	<u>(3,495,782)</u>	<u>(174,000)</u>	<u>16,249,722</u>

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

19 Funds

(Continued)

The transfers between funds for the year relate to the the funding of fixed asset acquisitions from non-capital grant income, and the use of DFC towards expenditure not capitalised.

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

Restricted general funds

These comprise all restricted funds other than restricted fixed asset funds and include grants from The Education and Skills Funding Agency and local authorities.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

Unrestricted funds

These comprise resources that may be used towards meeting any of the charitable objects of the academy trust at the discretion of the trustees.

Restricted fixed asset funds

These comprise resources which are to be applied to specific capital purposes imposed by The Education and Skills Funding Agency and local authorities where the asset acquired or created is held for a specific purpose.

Total funds analysis by academy

Fund balances at 31 August 2017 were allocated as follows:

	Total £
Thomas Alleyne's High School	279,399
Windsor Park Middle School	64,044
Picknalls First School	153,830
Central services	87,163
Total before fixed assets fund and pension reserve	584,436
Restricted fixed asset fund	18,329,286
Pension reserve	(2,664,000)
Total funds	16,249,722

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2017

19 Funds

(Continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
Thomas Alleynes High School	1,433,638	300,242	73,012	217,881	2,024,773
Windsor Park Middle School	491,285	100,678	35,429	62,749	690,141
Picknalls First School	333,613	63,758	16,501	60,307	474,179
Central services	-	16,593	1,847	13,783	32,223
	<u>2,258,536</u>	<u>481,271</u>	<u>126,789</u>	<u>354,720</u>	<u>3,221,316</u>

20 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total £
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	18,300,119	18,300,119
Current assets	362,077	1,134,163	29,167	1,525,407
Creditors falling due within one year	-	(752,841)	-	(752,841)
Creditors falling due after one year	-	(98,748)	-	(98,748)
Provisions for liabilities	-	(60,215)	-	(60,215)
Defined benefit pension liability	-	(2,664,000)	-	(2,664,000)
	<u>362,077</u>	<u>(2,441,641)</u>	<u>18,329,286</u>	<u>16,249,722</u>

21 Pensions and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012, and that of the LGPS related to the period ended 31 March 2016.

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

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

21 Pensions and similar obligations

(Continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

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

The employer's pension costs paid to the TPS in the period amounted to £238,462.

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 22.2% for employers and 5.5% - 12.5% for employees.

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

21 Pensions and similar obligations

(Continued)

The LGPS obligation relates to the employees of the academy trust who were employees transferred as part of the conversion from the maintained school (as described in note 28) together with new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

Total contributions made

	£
Employer's contributions	116,000
Employees' contributions	30,000
Total contributions	<u>146,000</u>

Principal actuarial assumptions

	%
Rate of increases in salaries	2.8
Rate of increase for pensions in payment	2.4
Discount rate	2.5
Inflation assumption (CPI)	<u>2.4</u>

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

	Years
Retiring today	
- Males	22.1
- Females	24.4
Retiring in 20 years	
- Males	24.1
- Females	<u>26.4</u>

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

21 Pensions and similar obligations

(Continued)

The academy trust's share of the assets in the scheme

	Fair value £
Equities	1,559,520
Bonds	246,240
Property	164,160
Cash	82,080
Total market value of assets	2,052,000
Actual return on scheme assets - gain/(loss)	67,000

Amounts recognised in the statement of financial activities

	£
Current service cost	196,000
Interest income	(21,000)
Interest cost	48,000
Total operating charge	223,000

Changes in the present value of defined benefit obligations

	£
Obligations acquired on conversion	4,237,000
Current service cost	196,000
Interest cost	48,000
Employee contributions	30,000
Actuarial loss	220,000
Benefits paid	(15,000)
At 31 August 2017	4,716,000

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 31 AUGUST 2017

21 Pensions and similar obligations

(Continued)

Changes in the fair value of the academy trust's share of scheme assets

	£
Assets acquired on conversion	1,854,000
Interest income	21,000
Actuarial gain	46,000
Employer contributions	116,000
Employee contributions	30,000
Benefits paid	(15,000)
At 31 August 2017	2,052,000

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

	£
Net income for the reporting period	16,423,722
Adjusted for:	
Net surplus on conversion to academy	(16,404,260)
Capital grants from DfE/ESFA and other capital income	(46,033)
Investment income receivable	(169)
Defined benefit pension costs less contributions payable	80,000
Defined benefit pension net finance cost	27,000
Depreciation of tangible fixed assets	274,466
(Increase) in debtors	(172,561)
Increase in creditors	851,589
Creditors transferred on conversion	(275,816)
Increase in provisions	60,215
Net cash provided by operating activities	818,153

23 Major non-cash transactions

During the period, net assets totalling £15,770,357 were transferred to the academy trust from the local authority, as detailed in note 28.

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

24 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	£
Amounts due within one year	6,561
Amounts due in two and five years	6,956
	<u>13,517</u>

25 Capital commitments

	£
Expenditure contracted for but not provided in the accounts	43,148

26 Related party transactions

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

T Sutcliffe, a Trustee, is a director and shareholder of Challenging Education Limited. During the period, the trust purchased services from Challenging Education Limited amounting to £250. The balance outstanding at the end of the period was £nil

In entering into these transactions, the academy trust has complied with the requirements of the Academies Financial Handbook 2016.

27 Members' liability

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

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

28 Conversion to an academy

On 1 April 2017 the Thomas Alleyne's High School, Windsor Park Middle School and Picknalls First School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Uttoxeter Learning Trust from the Staffordshire County Council Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the statement of financial activities.

Academy	Location	Date of conversion
Thomas Alleyne's High School	Uttoxeter	1 April 2017
Windsor Park Middle School	Uttoxeter	1 April 2017
Picknalls First School	Uttoxeter	1 April 2017

Net assets transferred:	£
Leasehold land and buildings	18,417,247
Other tangible fixed assets	11,926
Cash	633,903
Other creditors	(221,601)
LGPS pension surplus/(deficit)	(2,383,000)
Provisions	(54,215)
	<u>16,404,260</u>

UTTOXETER LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 AUGUST 2017

28 Conversion to an academy

(Continued)

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total £
Funds surplus/(deficit) transferred:				
<u>Thomas Alleyne's High School</u>				
Fixed assets funds	-	-	15,089,613	15,089,613
LA budget funds	186,469	2,000	-	188,469
School private fund	10,354	-	-	10,354
<u>Windsor Park Middle School</u>				
Fixed assets funds	-	-	282,655	282,655
LA budget funds	32,021	-	-	32,021
School private fund	9,918	-	-	9,918
<u>Picknalls First School</u>				
Fixed assets funds	-	-	3,056,904	3,056,904
LA budget funds	83,342	10,228	10,271	103,841
School private fund	13,485	-	-	13,485
<u>Central function</u>				
LGPS pension funds	-	(2,383,000)	-	(2,383,000)
	<u>335,589</u>	<u>(2,370,772)</u>	<u>18,439,443</u>	<u>16,404,260</u>