

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD
(A COMPANY LIMITED BY GUARANTEE)

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

Haines Watts

Chartered Accountants & Registered Auditors
Bridge House
157A Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

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ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees:

Ms S A Bradley
Rev Dr N J Bundock
Rev J B Edson (resigned 16 June 2016)
Mr P J Good * (Chair)
Ms C J Arundale (appointed 1 September 2015)
Mr A J Ballantyne * (appointed 1 September 2015)
Mr D Finch* (appointed 1 September 2015)
Mr B P Horgan * (appointed 1 September 2015)
Ms H Stallard (appointed 1 September 2015)
Mr M J Vermes (appointed 1 September 2015)
Mr M Whitehead (appointed 29 September 2016)

Unless otherwise stated all trustees were in office throughout the period

* Members of the Finance Committee

Members:

Rev Dr N J Bundock
Rev J B Edson (resigned 16 June 2016)
Mrs S A Bradley (resigned 22 February 2016)
Mr P J Good (appointed 22 February 2016)
Mr D Finch (appointed 17 June 2016)

Senior management team:

- Executive Headteacher of the Trust
- Deputy Headteacher of Didsbury CE
- Assistant Head of West Didsbury CE
- Head of School of St Wilfrid's CE
- Deputy Head at St Wilfrid's CE
** c/o Didsbury CE Primary School

Mr M Whitehead **
Mr S Ball ** (became Head of School at Didsbury CE 1.4.16)
Mrs H Large
Mrs H Miller
Mrs S Budgett

Registered office :

Didsbury Church of England Primary School
Elm Grove
Manchester
M29 8JN

Company registration number: 08652284 (England and Wales)

Independent auditor:

Haines Watts
Bridge House
Ashley Road
Hale
Altrincham
Cheshire WA14 2UT

Bankers:

Royal Bank of Scotland
Lapwing Lane
West Didsbury
Manchester
M20 6UR

Solicitors:

Slater Heelis
Lloyds Bank Buildings
16 School Road
Sale
Cheshire M33 7XP

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

TRUSTEES REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. The annual report serves the purpose of both a trustees' report and a directors' report under company law.

Since 1 September 2015 the academy trust operated two academies for pupils aged 3 to 11 serving a catchment area in Didsbury, South Manchester. It has a pupil capacity of 236 at Didsbury CE Primary School which became an academy on 1 September 2015 and a capacity of 420 at West Didsbury CE Primary School, which formally opened on 1 September 2015. The St. James and Emmanuel Academy Trust Ltd has also taken responsibility for the sponsored academy St Wilfrid's CE Primary School, Northenden, who joined the trust on 1 July 2016. This school admits pupils aged 3 to 11 serving a catchment area in Northenden, South Manchester.

This submittal is to meet the requirement to report for 2015-16.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee (company number: 08652284) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of St. James and Emmanuel Academy Trust Ltd are also directors of the charitable company for the purposes of company law. The charitable company is known as St. James and Emmanuel Academy Trust Ltd.

Details of the trustees who served during the year are included in the reference and administrative details on page 1 together with details of the company's registered office.

Members' liability

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

Trustees' indemnities

The St. James and Emmanuel Academy Trust Ltd has ensured that each academy within it, has purchased insurance to cover trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. All the schools within the trust buy into the EFA Risk Protection Arrangements for academies and free schools.

Principal activities

The St. James and Emmanuel Academy Trust Ltd opened each academy for the first time on 1 September 2015. West Didsbury CE Primary School formally opened to children and operates 2 reception classes with a current roll of 52 (as at July 2016). Didsbury CE Primary School opened as an academy on 1 September 2015 replacing Didsbury CE Primary School which ceased to be maintained by the Local Authority on that date. The pupil roll at Didsbury CE is currently 236 (July 2016).

St Wilfrid's CE joined the St. James and Emmanuel Academy Trust on 1st July 2016 and had 313 pupils on roll (July 2016)

The St. James and Emmanuel Academy Trust Ltd ensures that each academy's principal activities are to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing a school, offering a broad and balanced curriculum underpinned by Christian values.

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Method of recruitment and appointment or election of trustees

The academy trust members are responsible for the appointment of trustees except for parent and staff trustees that are elected through an election process directed by the board of trustees. In the event that these positions are not filled, the board of trustees is able to appoint these positions. The St. James and Emmanuel Academy Trust Ltd shall have the following trustees:

- 1 LA trustee
- 1 parent trustee
- 1 headteacher

As of 1 September 2015, St. James and Emmanuel Academy Trust Ltd set up the trustees as set out below:

- 1 MDBE trustee
- 8 foundation trustees
- 1 parent trustee

Two staff representatives were present at all trustee meetings.

Please note, as a result of accepting a third school into the trust, there will be a structural change from 1 September 2016 to ensure that we can govern all the schools effectively. We will increase our board of members to reflect the sponsoring of St Wilfrid's CE Primary School and have advertised for individuals with particular skill sets to serve as trustees, with the agreement of the members and PCC. Each school will then operate an individual local governing body. This will be in next year's (2016-17) trustees' report.

Policies and procedures adopted for the induction and training of trustees

The trustees are appointed based on the skills that they will bring to the board of trustees or based on a proposal to the board of trustees by representative groups. On appointment, trustees receive information relating to each academy within St. James and Emmanuel Academy Trust Ltd, attend a briefing and receive an induction pack on the role and responsibilities of trustees. During this period, trustees were offered all necessary training.

Organisational structure

The structure during the year 1 September 2015 to 31 August 2016 consists of two levels, the trustees and senior leadership team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The trustees are responsible for setting general policy, adopting a Strategic School Development plan and setting the budget. They also monitor the effectiveness of the academies within the St. James and Emmanuel Academy Trust Ltd by the use of financial reports and examination results and make major decisions about the direction of the St. James and Emmanuel Academy Trust, capital expenditure and senior staff appointments.

The school leadership team at Didsbury CE Primary School consists of Mr M Whitehead, the executive headteacher, Mr S Ball, the head of school, 2 teachers with TLR posts and the school business manager, whilst at West Didsbury CE Primary School because of its very small size currently it comprises the executive headteacher, assistant headteacher and school business manager. We now have the St Wilfrid's CE head of school, Mrs H Miller and the deputy head, Mrs S Budgett, joining the senior posts within the schools of the trust. These leaders control St. James and Emmanuel Academy Trust Ltd at an executive level implementing the policies laid down by the trustees and are accountable to them for the performance of the schools within the academy trust.

The board of trustees has seven committees. Each committee has its own terms of reference detailing the responsibilities discharged to the committee and to the headteacher. The terms of reference and meeting frequency for each committee is reviewed and approved by the trustees annually. The terms of reference for the finance committee detail the academy trust's authorised spending limits.

The committees of the board of trustees are:

- finance and premises
- curriculum and environment
- headteacher's performance management
- pay committee
- pay appeals
- disciplinary
- admissions

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Arrangements for setting pay and remuneration of key management personnel

A selected pay committee of directors and members will consider the performance and remuneration of key management personnel (executive headteacher and heads of school). They will meet annually with an independent external adviser and consider the performance of the key manager with regard to specific objectives and the wider professional standards for headteachers. At this meeting new objectives for the next year will then be set. Following this meeting, any pay and remuneration matters will be taken to a directors' meeting and discussed, budgeted for and analysed before possible ratification by directors. This is all in line with the school pay policy which is informed by the School Teachers Pay and Conditions Document.

Related parties and other connected charities and organisations

The members, directors, trustees, senior staff and their families are regarded as related parties in accordance with the definitions in the Charities SORP.

Risk management

The trustees are aware of their responsibility to manage the major risks to which St. James and Emmanuel Academy Trust Ltd is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of St. James and Emmanuel Academy Trust Ltd's academies and their finances. The trustees have implemented a number of systems to assess risks that the academies face, especially in the operational areas (e.g. in relation to teaching, health and safety and school visits) and in relation to the control of finances. The trustees will introduce further systems, including refinements of internal financial controls in order to minimise risk so that they are satisfied that systems are in place to mitigate any exposure to major risks. They have ensured they have adequate insurance cover. St. James and Emmanuel Academy Trust Ltd has an effective system of internal financial controls both for the academy trust and each academy operating within it.

A formal review of St. James and Emmanuel Academy Trust Ltd's risk management process will be undertaken on an annual basis and key controls in place will include:

- Formal agendas for all committee activity
- Terms of reference for all board of trustees and delegated committees under the direction of the board of trustees
- Pecuniary interests of trustees reviewed at each meeting
- Comprehensive budgeting and management reporting
- Established organisational structure and clear lines of reporting
- Formal written policies
- Clear authorisation and approval levels
- Vetting procedures as required by law for protection of the vulnerable

Objectives and activities

Objects and aims

St. James and Emmanuel Academy Trust Ltd's vision for the academies within it is to ensure that they aim:

"To grow a diverse and creative educational community, where we encourage belonging and nurture believing; together becoming fulfilled and responsible members of God's world."

Belonging:

- to each other in mutual support, respect and trust;
- to the community of Didsbury, committed to playing an active role in providing outstanding local primary schooling;
- to the Diocese of Manchester, as part of a family of 191 distinctive Church of England schools; and
- to the world in which we live, caring for the whole creation regardless of race, religion or background.

Believing:

- in our gifts and abilities, as each child is unique and valuable;
- in our potential, as each child will be challenged and nurtured; and
- in our Christian faith, as each child will be guided by our church ethos and values.

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Becoming:

- responsible and productive - a force for good in society;
- engaged and pro-active - ready to change and challenge the world around us;
- aware of our vocation, with a growing sense of purpose and preference; and
- well-rounded and self-aware, through an holistic and broad-based education.

Objectives, strategies and activities

St. James and Emmanuel Academy Trust Ltd's priorities for the period ending 31 August 2016 were:

- Effective joint practice development and the sharing of good practice between Didsbury CE and West Didsbury CE.
- Ensuring that we utilised the new freedoms and academy trust budget wisely and ensured that generally our children made better than expected progress.
- Introduction of new assessment systems to match national demands.
- To ensure that the new West Didsbury CE Primary School opened successfully, handover was completed in time and that the children received a first rate education.
- To ensure a smooth move to academy status for Didsbury CE Primary School and thus ensure that the governance for both schools within the academy trust was built on firm foundations. We have also focused on growing the capacity of the trust, with an understanding of the responsibilities we were taking on in sponsoring St Wilfrid's CE Primary School. Obviously, legally these responsibilities were not ours until 1 July 2016.

Public benefit

The trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular the trustees considered how planned activities will contribute to the aims and objectives they have set.

The St. James and Emmanuel Academy Trust Ltd's trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Strategic report

Achievements and performance

Attendance

The schools' attendance for 2015/2016 was:

Didsbury CE – 96.7%.

West Didsbury CE – 94%

Attainment and achievement

Didsbury CE:

Attainment:

- Was well above national average in all areas – EYFS, Phonics testing, Key Stage 1 tests and teacher assessments and Key Stage 2 standardised assessment tests.

Progress/ achievement:

- Value added information suggests that progress between KSI and KS2 was well above the average overall and for Maths and Reading separately. It was most marked in **Maths** and **Reading** and only in line with average in **Writing** which is teacher assessed.

Our test performance was well above (20%) early national average indicators in all test areas and 12% above in the teacher assessed Writing:

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

St Wilfrid's CE:

Although not legally part of the trust at the time of the Y6 tests, St Wilfrid's CE has fallen below the national average in Maths and GPS, in line with the national average in Reading and above the national average in Writing (the tables below give a lot more data on all three schools).

West Didsbury CE:

Progress measures across EYFS were very good but the actual results were below National meeting a Good Level of Development in key writing and reading areas.

Reading: 67% WDCE; 76% National average

Writing: 57% WDCE; 71% National average

- When WDCE Foundation Stage Profile Results are compared to the national performance, the greatest gap lies in the Reading and Writing Early Learning Goals (ELGs). (See comparative reports; School and National)
A number of factors affected our results:
 - 23% of our children arrived later in the school year. In October we had 40 children and now we have 52 children. Many of these children are economic migrants with little or no English language on arrival.
 - We have a high percentage of summer births and a high percentage of boys (67%), both categories that score significantly lower in EYFS performance nationally.
- As a result of our analysis and ongoing assessment, we are and will be running intensive interventions on group and individual basis for these children focusing on language acquisition, talk for writing, narrative therapy and daily individual reading sessions.
- Progress across the EYFS broad phases of development is good (see progress sheets for both classes). 92% of the September starters made a good level of progress (three stages of development within the broad phases) within a year. Many making outstanding progress of 4 or more stages. 76% of the transient overall cohort made a good level of progress, again many making outstanding progress in specific areas.
- EYFS Overview – all schools and National.
- For each Early Learning Goal, these tables show the percentage of pupils in the school at each level in 2016.

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

ELG	National 2015	DCE 2016	WDCE 2016	St W 2016	M/cr
GLD	66	73	49	67	63
CLL	80	83	69	70	75
Listening	86	90	77	81	80
Understanding	85	90	75	74	80
Speaking	84	87	78	81	78
PD	87	97	82	88	81
Moving	90	97	90	88	85
Self care	91	97	86	98	85
PSED	84	93	75	72	79
Self confidence	89	93	82	77	84
Managing feelings	87	97	84	86	83
Making relationships	89	97	88	81	85
Literacy	70	73	55	70	66
Reading	76	97	67	77	69
Writing	71	73	57	70	66
Maths	76	83	71	72	71
Numbers	77	83	80	74	72
Shape S,M	81	100	73	74	74
U of W	82	97	77	81	75
People	85	97	77	91	79
The World	85	100	78	86	79
Technology	92	100	92	93	88
EA+D	85	87	86	70	78
Exploring Media	88	87	88	84	82
Imagination	87	97	88	74	81

Key Stage 1 at EXS (Expected standard)

Subject	DCE	St W	WDCE	Manchester	National
Reading	87.0%	86%	NA	70.1%	74.0%
Writing	83.0%	79%	NA	63.4%	65.5%
Maths	77.0%	81%	NA	70.6%	72.6%
Science	83%	98%	NA	76.6%	81.8%
RWM	73.0%	71%	NA	58.5%	60.3%
SPAG	NA	NA	NA	NA	NA

Key Stage 1 at HS (Higher standard)

Subject	DCE	St W	WDCE	Manchester	National
Reading	40.0%	36%	NA	17.7%	23.6%
Writing	20.0%	31%	NA	10.0%	13.3%
Maths	30.0%	29%	NA	14.6%	17.8%
Science	NA	NA	NA	NA	NA
RWM	10.0%	17%	NA	6.7%	8.9%
SPAG	NA	NA	NA	NA	NA

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Key Stage 2 at EXS

Subject	DCE	St W	WDCE	Manchester	National
Reading	86%	65%	NA	60%	66%
Writing	86%	82%	NA	69%	74%
Maths	90%	59%	NA	70%	70%
Science	86%	100%	NA	73%	81%
RWM	76%	47%	NA	49%	53%
SPAG	93%	56%	NA	71%	72%

Key Stage 2 at HS

Subject	DCE	St W	WDCE	Manchester	National
Reading	31%	9%	NA	14%	19%
Writing	21%	9%	NA	11%	15%
Maths	55%	15%	NA	16%	17%
Science	NA	NA	NA	NA	NA
RWM	17%	6%	NA	4%	5%
SPAG	55%	9%	NA	21%	23%

KS2 Test - Outcomes at Didsbury CE and St Wilfrid's CE (% met ARE)

Subject	Early National	Didsbury CE:	St Wilfrid's CE
Reading	66%	86%	65%
Maths	70%	90%	59%
SPAG	72%	93%	56%

Attendance and Exclusions - overview

School	Attendance	Absence	Persistent absence (15%)	Unauthorised absence
Didsbury CE 2015-16	96.92%	3.08%	0%	0.43%
St Wilfrid's CE 2015-16	96.22%	3.78%	0%	1.02%
West Didsbury CE 2015-16	94.20%	5.80%	6.9%	1.03%
National 2014-15	96.00%	4.00%	2.1%	0.9%
Manchester 2014-15	94.95%	5.05%	4.72%	1.5%

School	Permanent Exclusions	Fixed Term Exclusions
Didsbury CE 2015-16	0	1 pupil (3 days) 0.42%
St Wilfrid's CE 2015-16	0	0
West Didsbury CE 2015-16	0	0
National 2014-15	0.02%	0.52%
Manchester 2014-15	0.04%	0.48%

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Phonics overview

School	Year 1 test	Year 2 Re-test
Didsbury CE (2015-16)	100%	100% (2 children)
St Wilfrid's CE (2015-16)	72.0%	57.1% (4 out of 7 children)
West Didsbury CE (2015-16)	NA	NA
National (2014-15)	77%	No data
Manchester (2015-16)	78.5%	No data

Pupil Premium – Disadvantaged Pupil's Performance

EYFS

School	FSM – No. of Children	FSM (ever 6) No. of children	CLA No. of children	% GLD	Points
Didsbury CE	0 out of 30	2 out of 30	0	100 (2 out of 2)	40.5
St Wilfrid's CE	0 out of 43	1 out of 43	0	0	19.0
West Didsbury CE	0 out of 51	5 out of 51	0	20 (1 out of 5)	30.2

Phonics - Number of children and percentage pass rate in each category

School	FSM – No. of Children	FSM (ever 6) No. of children	CLA No. of children	SEN support
Didsbury CE	2 out of 30 100%	3 out of 30 (includes 2 FSM) 100%	0	1 100%
St Wilfrid's CE	4 out of 50 25% (1 out of 4)	7 out of 50 42.9% (3 out of 7)	1 100% (1 out of 1)	0

Key Stage 1

Percentage of disadvantaged children achieving expected standard

Please note disadvantaged children includes: FSM;LAC

School	No. of disadvantaged children	Reading	Writing	Maths	RWM	Science
Didsbury CE	6 out of 30	83.3	83.3	66.7	66.7	66.7
St Wilfrid's CE	6 out of 42	83.3	66.7	66.7	50.0	100.0
National	ALL	74	65.5	72.6	60.3	81.8

Please note the comparator group is National ALL children – we are aiming to narrow the gap or diminish the difference between performance outcomes for disadvantaged children and ALL children nationally.

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Percentage of disadvantaged children achieving the higher standard

School	No. of disadvantaged children	Reading	Writing	Maths	RWM
Didsbury CE	6	16.7	0.0	0.0	0.0
St Wilfrid's CE	6	0.0	0.0	0.0	0.0
National	ALL	23.6	13.3	17.8	8.9

Key Stage 2

Percentage of disadvantaged children achieving expected standard

School	No. of disadvantaged children	Reading	Writing	Maths	RWM	Science
Didsbury CE	7 out of 30	71.4	71.4	71.4	57.1	71.4
St Wilfrid's CE	9 out of 34	33.3	66.7	11.1	11.1	100.0
National	ALL	66.0	74.0	70.0	53.0	81.0

Percentage of disadvantaged children achieving the higher standard

Please note disadvantaged children includes: FSM;LAC

School	No. of disadvantaged children	Reading	Writing	Maths	RWM
Didsbury CE	7	14.3	14.3	42.9	14.3
St Wilfrid's CE	9	0.0	0.0	0.0	0.0
National	ALL	19.0	15.0	15.0	5.0

Pupil Premium KS2 Scaled Scores

National average scaled score – 102.7

School	Scaled Score FSM	Scaled Score FSM (ever 6)	Scaled Score EAL	Scaled Score SEN
Didsbury CE	6 Pupils 103.6	7 Pupils 104.5	3 Pupils 103.8	4 Pupils 97.8
St Wilfrid's CE	4 Pupils 96.4	10 Pupils 95.6	1 Pupil 96.0	6 Pupils 95.6

Ofsted 'outstanding' in all measures

St. James and Emmanuel Academy Trust Ltd had its last school Ofsted at Didsbury CE Primary School in 2008 when the school was deemed 'outstanding'. The school constantly reviews and monitors its own progress through self-evaluation and against other schools nationally and locally to ensure that the school continues to be 'outstanding'. St Wilfrid's CE had an Ofsted inspection in May 2015 which placed it in 'special measures'. Since joining the trust, as an Academy St Wilfrid's CE has not had an inspection, however it was moving in the right direction throughout 2015-16 as the evidence from the HMI reports testifies. West Didsbury CE has not yet had an Ofsted inspection.

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Key performance indicators

The senior leadership team considers the following to be the key performance indicators for the academy trust:

- Attendance
- Attainment and achievement
- Ofsted 'outstanding' in all measures

Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that St. James and Emmanuel Academy Trust Ltd and each academy within it, 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.

Financial review

Most of St. James and Emmanuel Academy Trust Ltd's income is derived from each primary school's income obtained from the Education Funding Agency (EFA) in the form of recurrent grants, some of which are restricted to particular purposes. The grants received from the DfE/EFA during the period ended 31 August 2016 and the associated expenditure is shown as restricted funds in the statement of financial activities.

Under Accounting Standard FRS102, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided for support staff, to the unrestricted fund. This resulted in the pension fund showing a deficit of £749,000 which has been carried forward to 2016/17. It should be noted that this does not present a liquidity problem for the academy and that we are reviewing contributions to the pension scheme in order to see a reduction in the pension deficit in future years. If the pension deficit and related charges were taken out, the general restricted fund would show a surplus of £197,000.

Reserves policy

The level of reserves held at 31 August 2016 total £15,729,000 of which £307,000 was free reserves. Of this, Didsbury CE had a carry forward of £108,000, West Didsbury carried forward £7,000 and St Wilfrid's CE had £192,000 in its accounts. A capital spending plan has been completed detailing the short, medium and long term needs and plans of St. James and Emmanuel Academy Trust Ltd for which reserves will be allocated and determined in order of priority to meet the needs of each school within the academy trust. The trustees will review the reserve levels annually. The review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

Investment policy

St. James and Emmanuel Academy Trust Ltd ensures each academy within it aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long term value of any surplus cash balances against inflation. St. James and Emmanuel Academy Trust Ltd does not consider the investment of funds as a primary activity, rather as a result of good stewardship as and when circumstances allow.

Principal risks and uncertainties

St. James and Emmanuel Academy Trust Ltd has a risk management policy. The main risks identified include both strategic and operational risks and have been assessed under the following categories:

Professional - achieving strategic aims, management structures, educational priorities, conduct, and liability beyond classroom and staff and pupil procedures. Physical - injury to staff and pupils, property, financial, legal, environmental, contractual, technological and disaster recovery.

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TRUSTEES REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Plans for future periods

St. James and Emmanuel Academy Trust Ltd will be reviewing its structure as the academy trust grows. Inevitably with St Wilfrid's CE Primary School joining the trust we need a governance model more suited to analysing and monitoring the performance of all three schools in the trust. West Didsbury CE Primary School will get a new reception cohort each year of 60 children and as the number of pupils grows then the task of monitoring the school curriculum, environment, premises and resources grows too. We believe that a better model for the forthcoming year would be the members' board as defined by our articles of association, a smaller group of directors/trustees who keep an overview of the work at all three schools, which would be monitored by a local governing body. This governance/trustee model has been discussed at trustees' meetings and agreed for the year beginning 1 September 2016 when we start the academic year with three schools in the trust.

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.

This trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 21 December 2016 and signed on its behalf by:

.....
Paul Good
Chair of trustees

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

Scope of responsibility

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

The board of trustees has delegated the day-to-day responsibility to the headteacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St. James and Emmanuel Academy Trust Ltd and the Secretary of State of Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

Please note that the information below relates to the governing body at Didsbury CE Primary School, the existing school which set up West Didsbury CE Primary Free School. Didsbury CE Primary School became an academy on 1 September 2015. West Didsbury CE Primary School opened to children on 1 September 2015. For the year 2015-16 the governance across both West Didsbury CE and Didsbury CE was provided by the governors named below, who monitored performance at both schools.

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 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings attended	Out of a possible
C Arundale (Foundation - parent)	4	5
S Ball (Staff teacher)	5	5
A Ballantyne (Foundation - parent)	4	5
S Bradley (Foundation - MDBE)	5	5
N Bundock (Foundation - ex-officio)	4	5
L Cui (Community)	2	4
D Finch (Associate member - foundation)	4	5
P Good (Foundation - Chair)	5	5
P Horgan (Elected –parent DCE)	3	5
L Noden (Elected – parent WDCE)	3	3
H Stallard (Foundation –parent)	5	5
M Vermes (Foundation –parent)	5	5
M Whitehead (Staff - HT)	5	5

The finance committee is a sub-committee of the main board of trustees. Its purpose is to assist the decision making of the board of trustees by enabling more detailed consideration to be given to the best means of fulfilling the board of trustee's responsibility to ensure sound management of St. James and Emmanuel Academy Trust Ltd in relation to Didsbury CE Primary School and West Didsbury CE Primary School finances and resources, including proper planning, monitoring and probability. This committee will make appropriate comments and recommendations on such matters to the board of trustees on a regular basis. Major issues will be referred to the board of trustees for ratification. Attendance at meetings in the period was as follows:

Governor	Meetings attended	Out of a possible
S Ball (Staff teacher)	4	4
A Ballantyne (Foundation - parent)	3	4
D Finch (Foundation – parent)	3	4
P Good (Foundation - parent)	4	4
P Horgan (Foundation - parent)	3	4
M Whitehead (Headteacher)	4	4

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Review of value for money

As accounting officer the headteacher 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:

1. Raising student attainment and improving progress at both Didsbury CE and West Didsbury CE (please see the achievement and attainment for the details of how this has been achieved).
2. Robust governance and oversight of academy trust finances

The academy trust has a suitably qualified responsible officer (RO), Mrs Jane Flanagan, who reviews and supports our academy trust business manager. The RO reviews key financial policies, systems and procedures, including the use of tenders and presents reports in compliance to the academy trust's business manager, headteacher and board of trustees.

The academy trust receives finance support on compliance and accounting practices from an external consultant and has appointed external and internal auditors.

The academy trust's board of trustees approve the budget each year and is mindful of the need to balance expenditure against income to ensure that the academy trust remains a 'going concern'. The board of trustees also receive and approve the annual accounts and the external auditor's management report.

3. Ensuring the operation of the academy trust shows good value for money and efficient and effective use of resources.

St. James and Emmanuel Academy Trust Ltd ensures that each academy within it requires all suppliers to compete on grounds of cost and quality of products. The academy trust actively seeks out the best products at the best price; regardless of how much either academy within the academy trust aims to spend.

All orders are viewed by the headteacher or deputy headteacher and the academy trust school business manager to ensure that money is being utilised and allocated wisely.

For any order of £10,000 or over the academy trust will obtain three quotes. Successful companies will be chosen on grounds of price, quality and previous track record.

The academy trust is always mindful that minor improvements or savings are not cost effective if the administration involves substantial time or costs. Time wasted on these minor improvements and savings can also distract management from more important or valuable areas. The academy trust therefore uses well known suppliers for small orders (e.g. stationery, small equipment).

The academy trust's staffing structure at each academy is reviewed annually to ensure the most appropriate provision for our pupils. This ensures that value for money is maximised in terms of quality of teaching and learning, curriculum management and ensuring the correct adult-pupil ratios.

The academy trust has an asset register at each school which manages the allocation of resources in terms of costing, effectiveness and depreciation.

The academy trust targets its use of the Pupil Premium so that the academies' most deprived pupils have the opportunity to raise their individual levels of attainment resulting in improved educational outcomes for all.

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

3. Cont...

The academy trust, principally through cluster groups based at Didsbury CE Primary School also shares good practice with a number of local schools which helps to drive up standards and keep costs to a minimum.

The academy trust commissions before and after school care for pupils at both schools through Elm Grove Kids Club (Outstanding provider – Ofsted 7/5/15). Wraparound nursery education is provided at Didsbury CE Primary School. This provides the academy trust with a reliable revenue stream whilst maximising income generation for the trust.

St. James and Emmanuel Trust Ltd looks at each academy's budget and benchmarks financial performance against other academy trusts to demonstrate that the academy trust provides good 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 St. James and Emmanuel Academy Trust Ltd for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Haines Watts. The trustees have also appointed Jane Flanagan, a finance officer with many years' experience working for Manchester LA, as an internal reviewer to carry out a programme of internal checks.

The responsible officer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the responsible officer will report to the board of trustees, through the finance committee on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Review of effectiveness

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

- the work of the internal reviewer;
- the work of the external auditor;
- the financial management and governance self-assessment process; and
- the work of the finance sub-committee 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 ensures continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 21 December 2016 and signed on its behalf by:

.....
Paul Good
Chair of trustees

.....
Matt Whitehead
Accounting officer

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2016

As accounting officer of St. James and Emmanuel Academy Trust Ltd I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy trust'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.

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

Approved on 21 December 2016 and signed by:

.....

Matt Whitehead
Accounting officer

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

The trustees (who also act as governors for St. James and Emmanuel Academy Trust Ltd and are also the directors of St. James and Emmanuel Academy Trust Ltd 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 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 2015 to 2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The 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 EFA/DfE have been applied for the purposes intended.

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

Approved by order of the board of trustees on 21 December 2016 and signed on its behalf by:

.....

Paul Good
Chair of trustees

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

FOR THE YEAR ENDED 31 AUGUST 2016

We have audited the accounts of St. James and Emmanuel Academy Trust Ltd for the year ended 31 August 2016 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of trustees and auditors

As explained more fully in the trustees' responsibilities statement set out on page 18, the trustees, who are also the directors of St. James and Emmanuel Academy Trust Ltd for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the accounts

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

Basis for qualified opinion on financial statements

The defined pension liability on the balance sheet, charge to the SoFA, related cashflows and the notes to the financial statements do not include the liability and related disclosures in respect of St Wilfrid's CE Primary School. Such disclosure is required by FRS102.

With respect to the pension liability for the trust having a carrying amount of £676,000 the audit evidence available to us was limited because the actuaries report from Hymans Robertson was not requested by the trust on a timely basis. Owing to the nature of the obligation, we were unable to obtain sufficient appropriate audit evidence regarding the defined benefit pension liability by using other audit procedures. Consequently, we were unable to determine whether any adjustments to these amounts were necessary.

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF ST. JAMES AND EMMANUEL ACADEMY TRUST LTD (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Qualified opinion on financial statements

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

In respect solely of the limitation on our work relating to the pension liability referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit.

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

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

.....
John Whittick BSc FCA (Senior Statutory Auditor)

for and on behalf of

Haines Watts

Chartered Accountants

Statutory Auditor

Bridge House

Ashely Road

Hale

Altrincham

WA14 2UT

Dated:

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST. JAMES AND EMMANUEL ACADEMY TRUST LTD AND THE EDUCATION FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2016

In accordance with the terms of our engagement letter dated 18 February 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St. James and Emmanuel Academy Trust Ltd during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to St. James and Emmanuel Academy Trust Ltd and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the St. James and Emmanuel Academy Trust Ltd and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St. James and Emmanuel Academy Trust Ltd and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of St. James and Emmanuel Academy Trust Ltd's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of St. James and Emmanuel Academy Trust Ltd's funding agreement with the Secretary of State for Education dated 25 August 2015 and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance, and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ST. JAMES AND EMMANUEL ACADEMY TRUST LTD AND THE EDUCATION FUNDING AGENCY (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the governing body, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the governing body and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

.....

Haines Watts
Reporting Accountant

Dated:

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total 2016 £000	Total 15 months to 31.8.15 £000
Income and endowments from:						
Donations and capital grants	2	41	-	2,998	3,039	1,372
Donations – transfer from local authority on conversion	22	183	(462)	12,249	11,970	-
Charitable activities:						
- Funding for educational operations	3	-	1,790	-	1,790	196
Other trading activities	4	40	29	-	69	-
Total income and endowments		<u>264</u>	<u>1,357</u>	<u>15,247</u>	<u>16,868</u>	<u>1,568</u>
Expenditure on:						
Raising funds	5	6	-	-	6	-
Charitable activities:						
- Educational operations	6	59	1,791	449	2,299	169
Total expenditure	5	<u>65</u>	<u>1,791</u>	<u>449</u>	<u>2,305</u>	<u>169</u>
Net income/(expenditure)		199	(434)	14,798	14,563	1,399
Transfers between funds		(89)	88	1	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	17	-	(233)	-	(233)	-
Net movement in funds		110	(579)	14,799	14,330	1,399
Reconciliation of funds						
Total funds brought forward		-	27	1,372	1,399	-
Total funds carried forward		<u>110</u>	<u>(552)</u>	<u>16,171</u>	<u>15,729</u>	<u>1,399</u>

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

BALANCE SHEET

AS AT 31 AUGUST 2016

	Notes	2016 £000	£000	15 months to 31.8.15 £000	£000
Fixed assets					
Tangible assets	10		16,171		1,372
Current assets					
Stocks	11	6		-	
Debtors	12	253		556	
Cash at bank and in hand		451		8	
		<u>710</u>		<u>564</u>	
Current liabilities					
Creditors: amounts falling due within one year	13	(403)		(537)	
Net current assets			<u>307</u>		<u>27</u>
Net assets excluding pension liability			<u>16,478</u>		<u>1,399</u>
Defined benefit pension liability	17		(749)		-
Net assets			<u>15,729</u>		<u>1,399</u>
Funds of the academy trust:					
Restricted funds	15				
- Fixed asset funds			16,171		1,372
- Restricted income funds			197		27
- Pension reserve			(749)		-
Total restricted funds			<u>15,619</u>		<u>1,399</u>
Unrestricted income funds	15		<u>110</u>		<u>-</u>
Total funds			<u>15,729</u>		<u>1,399</u>

The accounts were approved by the board of trustees and authorised for issue on 21 December 2016 and are signed on its behalf by:

.....
Paul Good
Chair of trustees

Company Number 8652284

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £000	£000	15 months to 31.8.18 £000	£000
Cash flows from operating activities					
Net cash provided by operating activities	18		261		8
Cash funds transferred on conversion			182		-
			<u>443</u>		<u>8</u>
Cash flows from investing activities					
Capital grants from DfE and EFA		2,998		1,187	
Payments to acquire tangible fixed assets		<u>(2,998)</u>		<u>(1,187)</u>	
			<u>-</u>		<u>-</u>
Change in cash and cash equivalents in the reporting period					
			443		8
Cash and cash equivalents at 1 September 2015					
			<u>8</u>		<u>-</u>
Cash and cash equivalents at 31 August 2016					
			<u>451</u>		<u>8</u>

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

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

1.1 Basis of preparation

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

St. James and Emmanuel Academy Trust Ltd meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of St. James and Emmanuel Academy Trust Ltd prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 June 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

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.

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 Didsbury CE Primary School, West Didsbury CE Primary School and St Wilfrid's CE Primary School 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. The land and buildings transferred in respect of West Didsbury C E Primary School and St Wilfrid's CE Primary School are on a 125 year lease with Manchester City Council. Those for Didsbury CE Primary School are freehold. The valuation for St Wilfrid's Church of England Primary School has been based on an estimate by the trustees as no formal valuation was available. That for West Didsbury CE Primary School is based on an EFA valuation.

The accounting estimate in respect of land at West Didsbury CE Primary School transferred on conversion was revised as disclosed in note 10 to the financial statements.

Further details of the transaction are set out in note 22.

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

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

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

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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.

Donated goods, facilities and services

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

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

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

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.

Governance costs

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

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 requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Land and buildings	50 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	5 years straight line

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

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.

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

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 Leasing and hire purchase commitments

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

1.9 Stock

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

1.10 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.

1.11 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 17, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

The 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.

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

1.12 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 the Education Funding Agency/Department for Education or other funders where the asset acquired or created is held for a specific purpose.

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

1.13 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 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds	Restricted funds	Total 2016	Total 15 months to 31.8.15
	£000	£000	£000	£000
Donated fixed assets	-	-	-	185
Capital grants	-	2,998	2,998	1,187
Other donations	41	-	41	-
	<u>41</u>	<u>2,998</u>	<u>3,039</u>	<u>1,372</u>

The income from donations and capital grants was £3,039,000 (2015 - £1,372,000) of which £41,000 was unrestricted (2015 - £nil) and £2,998,000 was restricted fixed assets (2015 - £1,372,000).

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

3 Funding for the academy trust's educational operations

	Unrestricted funds	Restricted funds	Total 2016	Total 15 months to 31.8.15
	£000	£000	£000	£000
DfE / EFA grants				
General annual grant (GAG)	-	1,395	1,395	2
Start up grants	-	186	186	-
Other DfE / EFA grants	-	141	141	194
	<u>-</u>	<u>1,722</u>	<u>1,722</u>	<u>196</u>
Other government grants				
Local authority grants	-	68	68	-
	<u>-</u>	<u>68</u>	<u>68</u>	<u>-</u>
Total funding	<u>-</u>	<u>1,790</u>	<u>1,790</u>	<u>196</u>

The income from funding for educational operations was £1,790,000 (2015 - £196,000) of which £1,790,000 was restricted (2015 - £196,000).

Local authority grants comprise High Needs funding of £8,000, Early Years Block £54,000, Leadership grants of £5,000 and music tuition of £1,000.

There were no unfulfilled conditions or contingencies in respect of government grant funding.

4 Other trading activities

	Unrestricted funds	Restricted funds	Total 2016	Total 15 months to 31.8.15
	£000	£000	£000	£000
Income from facilities & services	30	-	30	-
Catering income	2	29	31	-
Parental contributions to visits	7	-	7	-
Other	1	-	1	-
	<u>40</u>	<u>29</u>	<u>69</u>	<u>-</u>

The income from other trading activities was £69,000 (2015 - £nil) of which £40,000 was unrestricted (2015 - £nil) and £29,000 was restricted (2015 - £nil).

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

5 Expenditure	Staff costs	Premises & equipment	Other costs	Total 2016	Total 15 months to 31.8.15
	£000	£000	£000	£000	£000
Academy's educational operations					
- Direct costs	1,013	404	136	1,553	-
- Allocated support costs	328	122	296	746	169
	<u>1,341</u>	<u>526</u>	<u>432</u>	<u>2,299</u>	<u>169</u>
Other expenditure					
Raising funds	-	-	6	6	-
	<u>-</u>	<u>-</u>	<u>6</u>	<u>6</u>	<u>-</u>
Total expenditure	<u>1,341</u>	<u>526</u>	<u>438</u>	<u>2,305</u>	<u>169</u>

The expenditure on raising funds was £6,000 (2015 - £nil) of which £6,000 was unrestricted (2015 - £nil).

Net income/(expenditure) for the year includes:	2016	15 months to 31.8.15
	£000	£000
Fees payable to auditor for:		
- Audit	16	5
- Other services	4	1
Operating lease rentals	1	-
Depreciation of tangible fixed assets	449	-
	<u>469</u>	<u>6</u>

Central services

No central services were provided by the academy trust to its academies during the year and no central charges arose.

6 Charitable activities	Unrestricted funds	Restricted funds	Total 2016	Total 15 months to 31.8.15
	£000	£000	£000	£000
Direct costs - educational operations	-	1,553	1,553	-
Support costs - educational operations	59	687	746	169
	<u>59</u>	<u>2,240</u>	<u>2,299</u>	<u>169</u>

The expenditure on educational operations was £2,299,000 (2015 - £169,000) of which £59,000 was unrestricted (2015 - £nil), £1,791,000 was restricted (2015 - £169,000) and £449,000 was restricted fixed assets (2015 - £nil).

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

6 Charitable activities

Analysis of costs	2016	15 months to 31.8.15
	£000	£000
Direct costs		
Teaching and educational support staff costs	1,007	-
Staff development	6	-
Depreciation and amortisation	404	-
Technology costs	34	-
Educational supplies and services	62	-
Educational consultancy	28	-
Other direct costs	12	-
	<u>1,553</u>	<u>-</u>
Support costs		
Support staff costs	328	-
Depreciation and amortisation	45	-
Technology costs	-	6
Recharge of staff costs	-	69
Maintenance of premises and equipment	77	-
Cleaning	5	-
Energy costs	28	-
Rent and rates	18	-
Insurance	13	2
Catering	107	-
Interest on pension deficit	18	-
Other support costs	16	82
Governance costs	91	10
	<u>746</u>	<u>169</u>

7 Staff costs

	2016	15 months to 31.8.15
	£000	£000
Wages and salaries	1,040	-
Social security costs	79	-
Operating costs of defined benefit pension schemes	207	-
	<u>1,326</u>	<u>-</u>
Staff costs	1,326	-
Supply staff costs	3	-
Staff development and other staff costs	12	-
	<u>1,341</u>	<u>-</u>

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

7 Staff costs

Staff numbers

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

	2016 Number	2015 Number
Teachers	52	-
Administration and support	41	-
Management	5	-
	<u>98</u>	<u>-</u>

Higher paid staff

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

	2016 Number	2015 Number
£60,001 - £70,000	1	-
£70,001 - £80,000	1	-
	<u>2</u>	<u>-</u>

Staff not directly employed by the trust in the period to 31 August 2015 comprised the headteacher, deputy headteacher and administrative staff of Didsbury CE Primary School. An appropriate proportion of their time was recharged to the trust and was included within allocated support costs. The charge for the period was £69,000. Didsbury CE Primary School became part of the trust on 1 September 2015.

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 were £225,000.

8 Trustees' remuneration and expenses

None of the trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. No (2015 - 3) trustees were reimbursed expenses totalling £nil (2015 - £623) in the period.

The value of trustees' remuneration and other benefits was £ nil (2015 - £nil).

9 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.

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

10 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£000	£000	£000	£000
Cost				
At 1 September 2015	1,261	111	-	1,372
Transfer on conversion	11,450	177	300	11,927
Additions	2,951	141	229	3,321
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2016	15,662	429	529	16,620
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Depreciation				
At 1 September 2015	-	-	-	-
Charge for the year	206	137	106	449
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2016	206	137	106	449
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net book value				
At 31 August 2016	15,456	292	423	16,171
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 August 2015	1,261	111	-	1,372
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The buildings occupied by West Didsbury CE Primary School are situated at Central Road, Manchester. The land was transferred from Manchester City Council at an initial valuation of £185,000, being the site of the former Ewing School. This accounting estimate was revised to £502,000 during the year ended 31 August 2016 upon receipt of additional information from the EFA. The land and buildings are long leasehold. Their net book value was £4,117,000 at the balance sheet date.

The land and buildings occupied by St Wilfrid's CE Primary School at Patterdale Road, Northenden are long leasehold. Their net book value was £4,487,000 at the balance sheet date.

Freehold land and buildings with a net book value of £6,852,000 at Elm Road, Didsbury are owned by Didsbury CE Primary School. Additions in the year of £21,000 relate to safeguarding improvements to the entrance hall.

11 Stocks	2016 £000	2015 £000
Consumables and stationery	6	-
	<u> </u>	<u> </u>

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

12 Debtors	2016	2015
	£000	£000
VAT recoverable	19	183
Other debtors	56	-
Prepayments and accrued income	178	373
	<u>253</u>	<u>556</u>
13 Creditors: amounts falling due within one year	2016	2015
	£000	£000
Trade creditors	113	16
Other creditors	151	-
Accruals and deferred income	139	521
	<u>403</u>	<u>537</u>
14 Deferred income	2016	2015
	£000	£000
Deferred income is included within:		
Creditors due within one year	32	165
	<u>32</u>	<u>165</u>
Deferred income at 1 September 2015	165	-
Released from previous years	(165)	-
Amounts deferred in the year	32	165
	<u>32</u>	<u>165</u>
Deferred income at 31 August 2016	32	165
	<u>32</u>	<u>165</u>

£29,000 of deferred income relates to a Universal Infant Free School Meals in respect of 2016/17, £10,000 relates to trip income taken in advance and the balance is in respect of an adjustment to Early Years Block funding for the period to March 2017.

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

15 Funds

	Balance at 1 September 2015 £000	Incoming resources £000	Resources expended £000	Gains, losses & transfers £000	Balance at 31 August 2016 £000
Restricted general funds					
General Annual Grant	-	1,395	(1,286)	88	197
Start up grants	-	186	(186)	-	-
Other DfE / EFA grants	27	141	(168)	-	-
Other government grants	-	68	(68)	-	-
Other restricted funds	-	29	(29)	-	-
	<u>27</u>	<u>1,819</u>	<u>(1,737)</u>	<u>88</u>	<u>197</u>
Funds excluding pensions	27	1,819	(1,737)	88	197
Pension reserve	-	(462)	(54)	(233)	(749)
	<u>27</u>	<u>1,357</u>	<u>(1,791)</u>	<u>(145)</u>	<u>(552)</u>
Restricted fixed asset funds					
DfE / EFA capital grants	1,187	2,998	(198)	(72)	3,915
Inherited funds	185	12,249	(245)	-	12,189
Capital expenditure from GAG	-	-	(6)	73	67
	<u>1,372</u>	<u>15,247</u>	<u>(449)</u>	<u>1</u>	<u>16,171</u>
Total restricted funds	<u>1,399</u>	<u>16,604</u>	<u>(2,240)</u>	<u>(144)</u>	<u>15,619</u>
Unrestricted funds					
General funds	-	264	(65)	(89)	110
	<u>-</u>	<u>264</u>	<u>(65)</u>	<u>(89)</u>	<u>110</u>
Total funds	<u>1,399</u>	<u>16,868</u>	<u>(2,305)</u>	<u>(233)</u>	<u>15,729</u>

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objects of the academy and are restricted to both the day to day running of the academy and capital expenditure.

Restricted fixed asset funds are those funds relating to the long term assets of the academy used in delivering the objects of the academy.

Unrestricted funds are those which the board of trustees may use in the pursuance of the academy's objectives and are expendable at the discretion of the trustees.

A transfer of £66,000 has been made from unrestricted funds to general restricted funds to cover the overspend on that fund.

£50,000 was transferred from restricted general funds to restricted fixed asset funds to meet expenditure on land and buildings not covered by capital grant funding.

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

15 Funds

£64,000 was transferred from restricted fixed asset funds to restricted general funds in respect of capital funding applied to repairs and maintenance expensed directly to the SoFA, of which £57,000 related to the project to repair the stone work at Didsbury CE Primary School.

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

Total funds analysis by academy

	Total £000
Fund balances at 31 August 2016 were allocated as follows:	
Didsbury CE Primary School	108
West Didsbury CE Primary School	7
St Wilfrid's CE Primary School	192
	<hr/>
Total before fixed assets fund and pension reserve	307
Restricted fixed asset fund	16,171
Pension reserve	(749)
	<hr/>
Total funds	15,729
	<hr/>

Total cost analysis by academy

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total £000
Didsbury CE Primary School	701	262	69	246	1,278
West Didsbury CE Primary School	170	35	60	91	356
St Wilfrid's CE Primary School	142	31	2	47	222
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,013	328	131	384	1,856
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

16 Analysis of net assets between funds

	Unrestricted Funds £000	Restricted funds: General £000	Fixed asset £000	Total 2016 £000
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	16,171	16,171
Current assets	513	197	-	710
Creditors falling due within one year	(403)	-	-	(403)
Defined benefit pension liability	-	(749)	-	(749)
	<u>110</u>	<u>(552)</u>	<u>16,171</u>	<u>15,729</u>

17 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 Tameside Metropolitan Borough Council. 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 2013.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Pensions and similar obligations

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to the TPS in the period amounted to £99,000.

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 below. The agreed contribution rates for future years are 18.9% for employers and 5.5 - 12.5% for employees.

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 22) 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	2016	15 months to 31.8.15
	£000	£000
Employer's contributions	62	-
Employees' contributions	20	-
	<hr/>	<hr/>
Total contributions	82	-
	<hr/> <hr/>	<hr/> <hr/>

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Pensions and similar obligations

Principal actuarial assumptions	2016 %	2015 %
Rate of increases in salaries	3.4	-
Rate of increase for pensions in payment	2.1	-
Discount rate	2.1	-
Expected return on assets	2.1	-

The discount rate and expected rate of return in respect of Didsbury CE Primary are 2.0%. In all other respects the financial assumptions are the same.

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

Sensitivity analysis - Didsbury CE Primary

Change in assumptions at 31 August 2016	Approximate % increase to employer liability	Approximate monetary amount £000
0.5% decrease in real discount rate	11%	149
1 year increase in member life expectancy	3%	42
0.5% increase in the salary increase rate	3%	45
0.5% increase in the pension increase rate	7%	99

Sensitivity analysis - West Didsbury CE Primary

Change in assumptions at 31 August 2016	Approximate % increase to employer liability	Approximate monetary amount £000
0.5% decrease in real discount rate	31%	8
1 year increase in member life expectancy	3%	1
0.5% increase in the salary increase rate	0%	-
0.5% increase in the pension increase rate	31%	8

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

	2016 Years	2015 Years
Retiring today		
- Males	21.4	-
- Females	24.0	-
Retiring in 20 years		
- Males	24.0	-
- Females	26.6	-

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Pensions and similar obligations

The academy trust's share of the assets in the scheme	2016 Fair value £000	2015 Fair value £000
Equities	481	-
Bonds	113	-
Cash	34	-
Property	40	-
	<hr/>	<hr/>
Total market value of assets	668	-
	<hr/>	<hr/>
Actual return on scheme assets - gain/(loss)	105	-
	<hr/>	<hr/>
Amounts recognised in the statement of financial activities	2016	15 months to 31.8.15
	£000	£000
Current service cost (net of employee contributions)	96	-
Net interest cost	18	-
Plan introductions, benefit changes, curtailments and settlements	2	-
	<hr/>	<hr/>
Total operating charge	116	-
	<hr/>	<hr/>
Changes in the present value of defined benefit obligations	2016	15 months to 31.8.15
	£000	£000
Obligations at 1 September 2015	943	-
Current service cost	96	-
Interest cost	37	-
Employee contributions	20	-
Actuarial gain	319	-
Plan introductions, benefit changes, curtailments and settlements	2	-
	<hr/>	<hr/>
At 31 August 2016	1,417	-
	<hr/>	<hr/>

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Pensions and similar obligations

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

	2016	15 months to 31.8.15
	£000	£000
Assets at 1 September 2015	481	-
Interest income	19	-
Return on plan assets (excluding amounts included in net interest):		
Actuarial gain	86	-
Employer contributions	62	-
Employee contributions	20	-
	<u>668</u>	<u>-</u>

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

	2016	15 months to 31.8.15
	£000	£000
Net income for the reporting period	14,563	1,399
Adjusted for:		
Net deficit/(surplus) transferred on conversion	(11,970)	-
Capital grants from DfE/EFA and other capital income	(2,998)	(1,372)
Defined benefit pension costs less contributions payable	36	-
Defined benefit pension net finance cost/(income)	18	-
Depreciation of tangible fixed assets	449	-
(Increase)/decrease in stocks	(6)	-
(Increase)/decrease in debtors	303	(556)
Increase/(decrease) in creditors	(134)	537
	<u>261</u>	<u>8</u>

19 Capital commitments

	2016	2015
	£000	£000
Expenditure contracted for but not provided in the accounts	105	2,987

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

20 Related party transactions

As recorded in note 7 to the financial statements the trust was charged for use of the headteacher, deputy headteacher and administrative staff of Didsbury Church of England Primary School in the period to 31 August 2015. The charge for the period was £69,000 and was included within allocated support costs. S Bradley, N Bundock and P Good were governors of both schools during the period. Since 1 September 2015 Didsbury CE Primary School has been a part of the St. James and Emmanuel Academy Trust.

In entering into that transaction the academy trust has complied with the requirements of the Financial Handbook 2015.

21 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.

22 Conversion to an academy

On 1 September 2015 the Didsbury CE Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to St. James and Emmanuel Academy Trust Ltd from the Manchester City Council Local Authority for £nil consideration.

On 1 September 2015 the West Didsbury CE Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to St. James and Emmanuel Academy Trust Ltd from the Manchester City Council Local Authority for £nil consideration.

On 1 July 2016 the St Wilfrid's CE Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to St. James and Emmanuel Academy Trust Ltd from the Manchester City 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
Didsbury CE Primary School	Didsbury	1 September 2015
West Didsbury CE Primary School	Didsbury	1 September 2015
St Wilfrid's CE Primary School	Northenden	1 July 2016

ST. JAMES AND EMMANUEL ACADEMY TRUST LTD

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

22 Conversion to an academy

	2016
	£000
Net assets transferred:	
Freehold land and buildings	6,950
Leasehold land and buildings	4,822
Other tangible fixed assets	477
Cash	183
LGPS pension surplus/(deficit)	(462)
	<u>11,970</u>

	Unrestricted	Restricted funds:		Total
	Funds	General	Fixed asset	2016
Funds surplus/(deficit) transferred:	£000	£000	£000	£000
Fixed assets funds	-	-	12,249	12,249
LA budget funds	183	-	-	183
LGPS pension funds	-	(462)	-	(462)
	<u>183</u>	<u>(462)</u>	<u>12,249</u>	<u>11,970</u>

The property occupied by St Wilfrid's CE Primary School and transferred from Manchester City Council is on a long leasehold of 125 years. Manchester City Council remain the holder of the freehold on the property.

The freehold land and buildings are in respect of the former Didsbury CE Primary School.