

Registered number: 08464996

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

Members

Canon Peter Maxwell
Donald Lester
Paul Evans (Diocesan Secretary)
The Diocese of Ely Educational Trust
Andrew Read

Trustees

Rev Michael Banyard
Dr Keith Carne
Howard Dellar (resigned 17 May 2016)
Canon Sue Freestone (resigned 2 March 2016)
Sir David Harrison
John Hayes (resigned 22 September 2016)
The Ven Dr Alex Hughes
Canon Peter Maxwell
Dr David Lee (appointed 17 May 2016)
Andrew Read
Carole Reich (appointed 17 May 2016)
Robert Skelton
Serena Standing
Hilary Wright
Mike Younger (appointed 17 May 2016)

Company registered number

08464996

Company name

The Diocese of Ely Multi-Academy Trust

Principal and registered office

Bishop Woodford House, Barton Road, Ely, Cambridgeshire, CB7 4DX

Company secretary

Nicholas Hills

Chief executive officer

Andrew Read

Independent auditors

haysmacintyre, 26 Red Lion Square, London, WC1R 4AG

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

Advisers (continued)

Bankers

Lloyds TSB, Minster Place, Ely

Solicitors

Lee Bolton Monier-Williams

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees present their annual report together with the financial statements and auditors' report of the Diocese of Ely Multi-Academy Trust (DEMAT) for the period from 1st September 2015 to 31st August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The Diocese of Ely Multi-Academy Trust was established in March 2013. It oversees the development of Church of England academies within the Diocese which extends throughout Cambridgeshire, part of Peterborough and part of West Norfolk. As of 1st November 2016 the Trust operates 24 academies (rising to 30 by 2017, due to known impending sponsored and conversion arrangements).

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

DEMAT is a company limited by guarantee and an exempt charity. DEMAT'S memorandum and articles of association are the primary governing documents of the DEMAT.

The trustees of the DEMAT are also the directors of the Company for the purposes of company law. Details of the trustees who served throughout the period are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the Company undertakes to contribute to the assets of the 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

Employees and trustees are covered by professional indemnity insurance for failings arising from the performance of their duties that may lead to civil liability. There are no other specific third party indemnities beyond this, which require reporting in the context of section 236 of the Companies Act 2006.

Method of Recruitment and Appointment or Election of Trustees

The Diocese of Ely Educational Trust appoints trustees paying attention to the skills and expertise required to set the strategic direction of the Trust and to ensure that the Trust meets all its statutory obligations as set out in the Academies Financial Handbook, which is published by the Education Funding Agency.

Policies and Procedures Adopted for the Induction and Training of Trustees

A comprehensive training and induction programme is provided for all trustees and governors of Local Governing Bodies. Governor training is provided by sector specialists.

All trustees are provided access to policies, procedures, terms of reference of trust committees, minutes, budget plans and other documents that they need to undertake their roles as trustees.

Organisational Structure

The organisational structure of the Trust consists of the following:

- The Trust Board (twelve directors).
- Local Governing Bodies for each school.
- Committees of the Trust Board, including Finance and Estates, Personnel, Standards and Ethos, and Audit. These committees include representation from academies.

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

The Trust Board meets at least three times per year and is responsible for the overall strategic direction of the Trust and for those statutory duties, which may not be delegated to sub-committees. The Trust Board has a scheme of delegation, which specifies delegated authorities at each level in the organisation. Each committee of the Trust Board and Local Governing Body meets at least four times a year.

The day-to day management is delegated to the Diocesan Director of Education who is Chief Executive of the Diocese of Ely Multi-Academy Trust. The senior leadership team comprises the Chief Executive Officer, the Chief Operating Officer and the Chief Financial Officer. Headteachers, business managers and special educational needs coordinators meet separately as a group at least once a term.

Budgets are delegated to schools to operate within budget levels approved by the Board.

Connected Organisations, included Related Party Relationships

The Diocese of Ely Educational Trust is, in effect, the shareholding company under which the Diocese of Ely Multi-Academy Trust operates. It was set up by the Board of Finance in response to the likelihood of Church schools converting to academies. There are six members with representation from the Board of Finance and the Board of Education. The members appoint the directors of the Diocese of Ely Multi-Academy Trust.

The Diocesan Board of Education is constituted under the Diocesan Board of Education Measure 1991 (as amended). It meets three times a year and receives updates from the Diocese of Ely Multi-Academy Trust. Four of its members are also directors of DEMAT to ensure continuity and good communication between the two Boards.

OBJECTIVES AND ACTIVITIES

The Trust is committed to:

- ensuring that all pupils, regardless of ability, gender, religion, and background have access to a high quality education within a supportive learning environment, which equips them well as independent learners to take their place in society and to contribute to it
- setting high expectations of leadership and of teaching and learning
- developing a shared identity and common purpose whilst preserving each school's individuality, Christian ethos and distinctiveness
- encouraging innovation and collaboration across the partnership
- supporting schools so that they may serve their local communities more effectively.

The Trust sees no disconnection between ethos and effectiveness since making a close connection between the two is to transform the lives and life chances of all learners and the communities they serve.

Objectives, Strategies and Activities

In 2015/16, the Trust has continued to establish its identity, growing numerically (in terms of number of academies) and expanding its capacity to support all academies in order to ensure that all pupils have access to a high quality of education. Strategies include appointing heads of good/ outstanding schools to be executive heads of schools in special measures, brokering school-to-school support, building links with the business community, establishing a full professional development programme for academy leaders and staff, working with the Eastern Leadership Centre and other regional institutional leaders of educational provision, research and advice.

The following six key priorities (in no particular order) underpin the action plan for 2015/16:

Priority 1: To ensure that DEMAT continues to develop its capacity to fulfil its obligations through carefully managed expansion based on sound financial planning and the development of strong mechanisms for sustainable school-improvement.

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

Priority 2: To achieve greater consistency in the quality of staff deployed as business managers in DEMAT schools. Training and accreditation to be provided.

Priority 3: To promote high levels of local and cross-phase collaboration between academies in the Trust in order to raise standards and improve system resilience.

Priority 4: To refine and develop concepts of Christian Distinctiveness (belief and behaviours) and apply them to schools for children of all faiths and none.

Priority 5: To ensure that local governing bodies are equipped with the skills and expertise to undertake their collective responsibilities and have access to a well designed induction and ongoing training programme.

Priority 6: To develop and deliver dashboards for each component part of the Trust to ensure key indicators can be monitored by the Trust committees.

Public Benefit

In setting our objectives and planning our activities over the past year, the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The trustees are satisfied that due regard has been given to the public benefit guidance published by the Charity Commission, as required by Section 17 of the Charities Act 2011.

The Trust aims to advance for the public benefit of education in the Diocese of Ely. In particular, but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing schools offering a broad curriculum set within a distinctively Christian context.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE (by school)

All schools continue to flourish and improve from their conversion dates. The following provides a necessarily brief outline of the circumstances of each school.

1. Bury CE Primary School: conversion date 1st July 2013

Following the appointment of a new headteacher in September 2015, the school has maintained above average pupil outcomes in 2016 SATs. In addition, the school was graded 'good' at inspection in February 2015.

DEMAT is supporting the school to become outstanding by utilising the school's strengths to support other DEMAT schools, in particular EYFS is a strength. Also supporting the leadership to take the actions necessary to enable all teaching to be good or better.

2. St John's CE Primary School, Stanground: conversion date 1st November 2013

The school was rated 'good' at inspection in March 2015 and pupil outcomes continue to be commensurate with this judgement, although there was a dip in KS2 data in 2016. The headteacher has made considerable changes to the building to improve the learning environment.

The school is a systems leader in Peterborough in the provision of support to vulnerable pupils and their families.

DEMAT is supporting the school to become outstanding by, strengthening middle leadership – a new SENDCo will be in post from October, strengthening assessment across the curriculum and also by further development of governor skills in supporting and challenging the school.

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

3&4. Anthony Curton CE Primary School with Tilney All Saints CE Primary School. Conversion date :1 March 2014

Both schools continue to improve outcomes and are providing systems leadership support to another DEMAT academy. Leadership has taken a robust approach to ensure that they continue to make improvements in 2017.

The schools work collaboratively and share staff and resources across both sites.

DEMAT is supporting both schools to become outstanding.

5. Weeting CE Primary School: conversion date 1st April 2014

The school has now joined the Trinity Partnership (made up of Duchy of Lancaster School, The Norman School and Weeting Primary School), under a strong executive head. Outcomes in 2015 were an improvement on 2014 and the new leadership team continue to move the school forward. Relationships are being improved across all three schools. All three schools in the partnership share resources and staff, which leads to improvements across all schools.

6. Duchy of Lancaster CE Primary School: conversion date 1st April 2014

The school has continued to work towards improving attainment and progress. It is now part of the Trinity Partnership (made up of Duchy of Lancaster School, The Norman School and Weeting Primary School).

All schools in the partnership share resources and staff, which leads to improvements across all schools.

7. St Martin's at Shouldham CE Primary School: conversion date 1st April 2014

Following the retirement of the head teacher at the nearby All Saints academy, the headteacher of Shouldham became the executive head across both schools. St Martin's achieved above average pupil outcomes in 2016. The school is acting as a CPD hub in West Norfolk for DEMAT, the area cluster and other local schools.

8. Norman CE Primary School: conversion date 1st July 2014

The head teacher is now executive head of the Trinity Partnership (made up of Duchy of Lancaster School, The Norman School and Weeting Primary School). The three schools are benefitting from working together to support the school improvement focuses of all.

All schools in the partnership share resources and staff, which leads to improvements across all schools.

9/10. Wormegay CE Primary School and Runcton Holme CE Primary School (Holy Cross Federation): conversion date 1 October 2014

The schools received a successful visit from the Regional Schools Commissioner.

Both schools have received school-to-school support from another local DEMAT academy. This has led to developments in EYFS (Early Years Foundation Stage). Standard of teaching continues to improve, this is confirmed by regular monitoring.

11. All Saints Academy Stoke Ferry: conversion date 1 October 2014

Outcomes remained strong in 2016 and the school is providing systems leadership support to another DEMAT academy. The school is now partnered with St Martin's at Shouldham and will be working closely to share good practice and support.

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

12. William de Yaxley Junior School. Conversion date 1 November 2014

Outcomes were improved in 2015 under the leadership of a strong head and deputy, and the school is taking a lead on CPD for teaching assistants and assessment without levels across the region, through a new on-site training centre. A new leadership structure is in place and the head teacher is now executive head at St Peter's Junior school. The deputy has become head of school.

13. St Andrews CE Primary School Soham: conversion date 1 November 2014

A new leadership structure is in place from September 2016. A robust approach has been taken to school improvement. Standards of teaching continue to rise.

14. Mepal and Witcham CE Primary School: conversion date: 1 November 2014

The school achieved improved outcomes in 2015 and received a letter of congratulations from Cambridgeshire LA. A substantive head was appointed for January 2016.

Leadership is now embedded across the school.

The school received a successful visit from the Regional Schools Commissioner's Advisor in May 2016, confirming that the school is improving under the leadership of the new head.

15. St Peter's CE Junior School Wisbech. Conversion date: 1 November 2014

The school is now under an executive headship arrangement with William de Yaxley. The deputy head is now head of school and resources and staff are now being shared across both schools to raise attainment for all pupils.

16. Ely St Mary's Academy: conversion date 1 February 2015

The school was led by the DEMAT executive principal during the absence of the head, where outcomes were improved further in 2015. A substantive headteacher was appointed in April 2016.

17. Marshland St James CE Primary School. Conversion date: 1 September 2015

The school has improved rapidly since school to school support was put in place following conversion.

18. St Mary's CE Primary School St Neots. Conversion date: 1 September 2015

DEMAT has worked with the school since the inadequate inspection that led to conversion. A substantive head was appointed in January 2016 and the school continues to move forward.

19/20. Hilgay and Ten Mile bank (Riverside federation). Conversion date: 1 January 2015

These two schools which are federated now have a substantive head in place who was appointed in September 2016. The Trust is currently reviewing the most appropriate strategies for each school.

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

KEY PERFORMANCE INDICATORS

The Trust has developed a series of key indicators at Trust, whole school and individual pupil level, in order to better analyse real-time and historic performance across regions and within schools. These indicators can also be benchmarked to national performance, as they are designed to easily map onto national measures.

GOING CONCERN

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

FINANCIAL REVIEW

Reserves Policy

The Trust holds reserves that are adequate to meet foreseen needs.

Investment Policy

The Board of Directors is firmly committed to ensuring that all funds under its control are administered in a risk adverse investment strategy. As such the Board does not consider the investment of surplus funds as a primary activity, but rather a requirement for the effective management of the various funds entrusted to the Board. Due to the nature of the funding cycle, the Academy may at times hold large cash balances, which may not be required for immediate use.

Principal Risks and Uncertainties

The principal risks and uncertainties faced by the Trust are as follows:

- The Trust continues to accept under statute any Church School under its dual role as an academy sponsor. The number of schools likely to need sponsoring will continue to grow at an unpredictable rate because these 'at risk' schools are determined by legislation, which changes in December 2015 through the Education and Adoption Act to encompass more schools. Similarly, the number of under-performing VA and VC schools under Local Authority Control - the latter of which is increasingly less able to provide necessary support due to cuts in its services - continues to grow.
- The Trust is reliant on funding from the Education Funding Agency - changes to the funding formula for schools may impact upon the level of income received by the Trust;
- Funding received is based on numbers of students enrolled at the Trust – failure to attract sufficient pupils to the schools would reduce the level of funding available to the schools; Funding in Cambridgeshire (where the majority of current and potential future schools lie) is lower than that of other localities, and may not increase.
- Staff are eligible to join either the Teachers Pension Scheme or Local Government Pension Scheme – contributions to either scheme could increase in the future due to factors outside of the Trust's control which could increase expenditure or lead to a pension deficit being recorded;
- Due to increased staffing costs and potential changes in per pupil allocation, school budgets are coming under increasing pressure.
- It is important that the Trust continues to recruit and retain suitably qualified and committed staff in its schools - the market place for such individuals continues to shrink.

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

Financial and Risk Management Objectives and Policies

Financial policies and financial risks are reviewed regularly by the Finance and Estates Committee. Budgets are prepared on an annual basis and performance against budget and cash flow forecasts are reviewed termly. At the year end, the Trust did not have any material liabilities which would have a significant effect on its liquidity.

PLANS FOR FUTURE PERIODS

The Trust aims to grow incrementally through a positive response to the regional restructuring taking place across the system, as instigated and required by current government policy.

AUDITORS

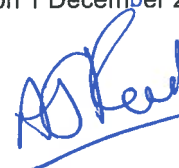
In so far as the Trustees are aware:

- 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 information and to establish that the auditor is aware of that information.

haysmacintyre have expressed their willingness to continue.

Approved by order of the members of the board of trustees on 1 December 2016 and signed on their behalf, by:


Peter Maxwell
Chair of Trustees


Andrew Read
Accounting Officer

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive, 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 The Diocese of Ely Multi-Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Rev Michael Banyard	4	4
Dr Keith Carne	4	4
Howard Dellar	1	3
Canon Sue Freestone	2	3
Sir David Harrison	4	4
John Hayes	4	4
The Ven Dr Alex Hughes	2	4
Canon Peter Maxwell	4	4
Dr David Lee	4	4
Andrew Read	1	1
Carole Reich	4	4
Robert Skelton	4	4
Serena Standing	4	4
Hilary Wright	3	4
Mike Younger	1	1

The Finance and Estates Committee is a sub-committee of the Trust Board. Its purpose is to review and advise the Trust Board on the financial performance of the Trust and the safeguarding and use of its assets.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Canon Peter Maxwell, Chair	2	2
Andrew Read	2	2
Dr Keith Carne	2	2
Sir David Harrison	2	2
Serena Standing	1	1

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GOVERNANCE STATEMENT (continued)

The Standards and Ethos Committee is a sub-committee of the Board. It monitors standards and the performance for each academy and how ethos contributes to establishing a purposeful learning environment which enables, regardless of ability or gender, to make maximum progress in relation to their starting points.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Peter Maxwell	2	2
Andrew Read	3	3
Canon Sue Freestone, Chair	2	2
Serena Standing	2	3
Rev Mike Banyard	1	3

Review of Value for money

As Accounting Officer, the Chief Executive has responsibility for ensuring that the academy delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Diocese of Ely Multi-Academy Trust 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 is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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GOVERNANCE STATEMENT (continued)

The Risk and Control Framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed haysmacintyre, the external auditors, to perform additional checks.

The auditors' role includes giving advice on financial matters and performing a range of checks on the academy's financial systems.

Review of Effectiveness

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

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

Approved by order of the members of the board of trustees on 1 December 2016 and signed on their behalf, by:


Peter Maxwell
Chair of Trustees


Andrew Read
Accounting Officer

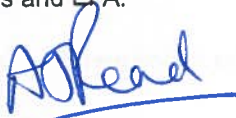
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of The Diocese of Ely Multi-Academy Trust 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 2016.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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.



Andrew Read
Accounting Officer

Date: 1 December 2016

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees (who act as governors of The Diocese of Ely Multi-Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with the Annual Accounts 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 financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

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

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

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

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

Approved by order of the members of the board of trustees on 1 December 2016 and signed on its behalf by:

P. B. Maxwell

Peter Maxwell
Chair of Trustees

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE DIOCESE OF ELY MULTI-ACADEMY TRUST

We have audited the financial statements of The Diocese of Ely Multi-Academy Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Respective responsibilities of Trustees and auditors

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

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
DIOCESE OF ELY MULTI-ACADEMY TRUST**

Matters on which we are required to report by exception

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

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



Sam Coutinho (Senior Statutory Auditor)

for and on behalf of

haysmacintyre

Statutory Auditors

26 Red Lion Square
London
WC1R 4AG
1 December 2016

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO THE DIOCESE OF ELY MULTI-ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 24 September 2014 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 The Diocese of Ely Multi-Academy Trust during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Diocese of Ely Multi-Academy Trust's Accounting Officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of The Diocese of Ely Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 28 June 2013 (Bury), 1 October 2013 (Stanground), 27 March 2014 (Weeting and Duchy), 30 April 2014 (St Martin), 27 June 2014 (Norman), 30 September 2014 (Runcton Holme, Wormegay and All Saints Academy) 30 October 2014 (Mepal & Witcham and St Peters), 31 October 2014 (William De Yaxley and St Andrews), 30 January 2015 (Ely St Mary) and 26 February 2015 (Anthony Curton, Tilney All Saints, Hilgay, Ten Mile Bank, Marshland St James and St Mary's St Neots) , and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO THE DIOCESE OF ELY MULTI-ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)

The work undertaken to draw to our conclusion includes:

- Assessment of the control environment operated by the Academy.
- Walkthrough testing of controls to ensure operational effectiveness.
- Substantive testing on a sample of expenditure items, ensuring expenditure is in accordance with the funding agreement and appropriately authorised.
- Detailed testing on a selection of expense claims, credit card statements and debit card payments.
- Review of minutes, bank certificates and related party declarations provided by Governors

Conclusion

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



haysmacintyre

Reporting Accountant

26 Red Lion Square
London
WC1R 4AG

1 December 2016

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	57,828	-	652,408	710,236	804,698
Charitable activities	3	445,867	14,478,525	-	14,924,392	10,887,807
Other trading activities	4	832,028	-	-	832,028	509,032
Investments	5	5,114	-	-	5,114	9,327
Funds inherited on conversion		84,263	-	-	84,263	761,860
TOTAL INCOME		1,425,100	14,478,525	652,408	16,556,033	12,972,724
EXPENDITURE ON:						
Charitable activities	6	773,673	14,992,599	340,287	16,106,559	11,675,063
Pension deficit inherited on conversion		-	509,000	-	509,000	2,748,000
TOTAL EXPENDITURE	7	773,673	15,501,599	340,287	16,615,559	14,423,063
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	17	651,427	(1,023,074)	312,121	(59,526)	(1,450,339)
		-	(43,698)	43,698	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES						
		651,427	(1,066,772)	355,819	(59,526)	(1,450,339)
Actuarial gains/(losses) on defined benefit pension schemes	23	-	(2,581,000)	-	(2,581,000)	81,000
NET MOVEMENT IN FUNDS		651,427	(3,647,772)	355,819	(2,640,526)	(1,369,339)
RECONCILIATION OF FUNDS:						
Total funds brought forward		1,303,711	(3,864,344)	761,638	(1,798,995)	(429,656)
TOTAL FUNDS CARRIED FORWARD		1,955,138	(7,512,116)	1,117,457	(4,439,521)	(1,798,995)

The notes on pages 22 to 46 form part of these financial statements.

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 08464996

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	2016		2015	
		£	£	£	£
FIXED ASSETS					
Tangible assets	13		871,607		493,545
CURRENT ASSETS					
Debtors	14	668,996		486,490	
Cash at bank and in hand		3,314,439		2,720,281	
		<u>3,983,435</u>		<u>3,206,771</u>	
CREDITORS: amounts falling due within one year	15	<u>(1,638,061)</u>		<u>(1,357,892)</u>	
NET CURRENT ASSETS			<u>2,345,374</u>		<u>1,848,879</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,216,981</u>		<u>2,342,424</u>
CREDITORS: amounts falling due after more than one year	16		<u>(11,502)</u>		<u>(13,419)</u>
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>3,205,479</u>		<u>2,329,005</u>
Defined benefit pension scheme liability	23		<u>(7,645,000)</u>		<u>(4,128,000)</u>
NET LIABILITIES INCLUDING PENSION SCHEME LIABILITIES			<u>(4,439,521)</u>		<u>(1,798,995)</u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	17	132,884		263,656	
Restricted fixed asset funds	17	1,117,457		761,638	
Restricted funds excluding pension liability		<u>1,250,341</u>		<u>1,025,294</u>	
Pension reserve		<u>(7,645,000)</u>		<u>(4,128,000)</u>	
Total restricted funds			<u>(6,394,659)</u>		<u>(3,102,706)</u>
Unrestricted funds	17		<u>1,955,138</u>		<u>1,303,711</u>
TOTAL DEFICIT			<u>(4,439,521)</u>		<u>(1,798,995)</u>

The financial statements were approved by the Trustees, and authorised for issue, on 1 December 2016 and are signed on their behalf, by:

P. B. Maxwell
Peter Maxwell
Chair of Trustees

The notes on pages 22 to 46 form part of these financial statements.

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	19	1,185,421	1,872,404
		<hr/>	<hr/>
Cash flows from investing activities:			
Purchase of tangible fixed assets		(465,562)	(177,900)
Capital grants from DfE/EFA		(123,784)	(193,459)
		<hr/>	<hr/>
Net cash used in investing activities		(589,346)	(371,359)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		596,075	1,501,045
Cash and cash equivalents brought forward		2,704,945	1,203,900
		<hr/>	<hr/>
Cash and cash equivalents carried forward		3,301,020	2,704,945
		<hr/> <hr/>	<hr/> <hr/>

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 General information

The company is limited by guarantee, incorporated in England and Wales (company number: 08464996). The Company's registered office address is: Bishop Woodford House, Barton Road, Ely, Cambridgeshire, CB7 4DX.

1.2 Basis of preparation of financial statements

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

The Diocese of Ely Multi-Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.3 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder and include grants from the Department for Education.

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 Income

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

Grants are included in the Statement of Financial Activities Incorporating Income and Expenditure Account on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities Incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

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

All resources expended are inclusive of irrecoverable VAT.

1.6 Going concern

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

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

All assets costing more than £500 are capitalised.

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Land and Buildings	-	2% straight line per annum
Fixtures and fittings	-	20% straight line per annum
Technology and Computer equipment	-	5 - 33.33% straight line per annum
Swimming Pool	-	5% straight line per annum

1.8 Interest receivable

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

1.9 Operating leases

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

1.10 Debtors

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

1.11 Cash at Bank and in hand

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

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.12 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.13 Financial instruments

The academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1.14 Taxation

The 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 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.

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.15 Pensions

Retirement benefits to employees of the 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 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 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.16 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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.

Critical areas of judgement:

The accounting policies have been applied consistently in dealing with items which are considered material in relation to the Academy Trust's financial statements.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	57,828	-	-	57,828	74,055
Capital Grants	-	-	652,408	652,408	630,643
Grants	-	-	-	-	100,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and capital grants	57,828	-	652,408	710,236	804,698
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

In 2015, of the total income from donations and capital grants, £174,055 was to unrestricted funds and £630,643 was to restricted funds

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
General Annual Grant (GAG)	-	12,341,725	12,341,725	9,317,468
Start Up Grants	-	219,731	219,731	329,915
Local authority grants	-	967,343	967,343	291,884
Special educational projects	-	949,726	949,726	684,423
Catering income	445,867	-	445,867	203,076
Club fees	-	-	-	61,041
	<u>445,867</u>	<u>14,478,525</u>	<u>14,924,392</u>	<u>10,887,807</u>

In 2015, of the total income from charitable activities, £264,117 was to unrestricted funds and £10,623,690 was to restricted funds.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Hiring of facilities	58,355	-	58,355	26,306
Other Income	773,673	-	773,673	482,726
	<u>832,028</u>	<u>-</u>	<u>832,028</u>	<u>509,032</u>

In 2015, of the total income from other trading activities, £509,032 was to unrestricted funds and £ NIL was to restricted funds.

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Short term deposits	5,114	-	5,114	9,327
	<u>5,114</u>	<u>-</u>	<u>5,114</u>	<u>9,327</u>

In 2015, of the total investment income, £9,327 was to unrestricted funds and £ NIL was to restricted funds.

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

6. CHARITABLE ACTIVITIES

	Total funds 2016 £	Total funds 2015 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	8,040,779	5,567,741
National insurance	533,689	376,860
Pension cost	1,457,934	859,255
Educational supplies	848,780	382,296
Examination Fees	150	3,942
Staff Development	122,029	152,642
Educational consultancy	224,248	48,537
Other Direct Costs	-	259,758
	<u>11,227,609</u>	<u>7,651,031</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	1,565,578	1,169,792
National insurance	81,081	32,366
Pension cost	248,801	363,296
Depreciation	87,200	31,984
DBS Finance Cost	179,000	121,000
Technology costs	77,128	387,869
Recruitment and support	39,593	12,533
Maintenance of premises and equipment	431,178	312,661
Cleaning	134,295	86,901
Rent & rates	53,157	33,921
Energy costs	232,192	164,002
Insurance	133,514	105,362
Security and transport	6,406	52,591
Catering	562,006	435,469
Bank interest and charges	3,582	4,413
Other support costs	688,395	237,179
	<u>4,523,106</u>	<u>3,551,339</u>
	<u>15,750,715</u>	<u>11,202,370</u>
OTHER ACTIVITIES		
Governance Costs	355,844	472,693
	<u>16,106,559</u>	<u>11,675,063</u>

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

7. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Activities:					
Direct costs	9,784,402	-	1,443,207	11,227,609	7,707,031
Support costs	2,143,460	1,071,536	1,308,110	4,523,106	3,495,339
Support costs - governance	-	-	355,844	355,844	472,693
	<u>11,927,862</u>	<u>1,071,536</u>	<u>3,107,161</u>	<u>16,106,559</u>	<u>11,675,063</u>

In 2016, of the total expenditure, £773,673 (2015 - £773,149) was to unrestricted funds and £14,905,880 (2015 - £10,924,914) was to restricted funds.

8. NET INCOME /(EXPENDITURE)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	87,200	31,985
Auditors' remuneration - audit	37,000	25,000
Auditors' remuneration - other services	13,325	24,035
	<u>137,525</u>	<u>81,020</u>

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

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

9. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	9,377,090	6,467,402
Social security costs	614,770	409,226
Operating costs of defined benefit pension schemes	1,706,735	1,222,551
	<u>11,698,595</u>	<u>8,099,179</u>
Supply teacher costs	216,692	252,131
Staff restructuring costs	12,575	18,000
	<u><u>11,927,862</u></u>	<u><u>8,369,310</u></u>

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

	2016 No.	2015 No.
Teachers	166	117
Management	3	2
Administration and Support	370	267
	<u>539</u>	<u>386</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	3	0
In the band £70,001 - £80,000	0	1

Four of the above employees participated in the Teacher's Pension Scheme. During the period ended 31 August 2016 employer's pension contributions for these staff amounts to £40,451 (2015: £9,964)

Included in staff restructuring costs are non-contractual severance payments totalling £1,500 (2015: £18,000). This was for one (2015: one) payment in the period. Also included within staff restructuring costs were redundancy costs of £11,075 (2015: £nil).

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The key management personnel of the academy trust comprise the trustees and the senior management team, including all headteachers and executive headteachers at each school. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £1,198,518 (2015: £776,537).

10. CENTRAL SERVICES

The Trust has provided the following central services to its academies during the year:

- Financial services
- Legal services
- Educational support services
- Others as arising

The Trust charges for these services on the following basis:

A flat percentage on the monthly GAG funding received directly at head office. No deductions are taken from Pupil premium, insurance or any other ad hoc funding.

The actual amounts charged during the year were as follows:

	2016	2015
	£	£
Bury	37,948	20,623
St Johns, Stanground	42,386	41,884
Weeting	31,596	30,509
Duchy of Lancaster, Methwold	21,280	13,507
The Norman, Northwold	18,523	11,677
St Martin at Shouldham	35,965	18,746
All Saints	19,895	11,095
Wormegay	10,352	9,373
Runcton Holme	15,284	14,190
Anthony Curton	37,429	11,133
Tilney All Saints	14,025	3,905
William de Yaxley	41,220	34,670
St Peters	49,823	42,969
Ely St Marys	65,440	22,251
St Andrews	76,717	38,170
Mepal and Witcham	16,428	14,746
Hilgay	10,817	-
Marshland	22,679	-
St Mary St Neot's	35,935	-
Ten Mile Bank	8,543	-
Total	<u>612,285</u>	<u>339,448</u>

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11. TRUSTEES' REMUNERATION AND EXPENSES

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

A Read (staff trustee)
Remuneration £35,000 - £40,000
Employer's pension contributions £0 - £5,000

During the year ended 31 August 2016, travel and subsistence expenses totalling £2,241 (2015: £306) were reimbursed or paid directly to 3 Trustees (2015: 4)

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was £3,156 (2015 - £3,041).

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 cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

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13. TANGIBLE FIXED ASSETS

	Land and buildings £	Fixtures and fittings £	Technology and Computer equipment £	Swimming Pool £	Total £
Cost					
At 1 September 2015	-	199,333	172,216	172,865	544,414
Additions	67,645	276,518	104,101	16,998	465,262
At 31 August 2016	67,645	475,851	276,317	189,863	1,009,676
Depreciation					
At 1 September 2015	-	2,305	48,564	-	50,869
Charge for the year	-	43,374	37,700	6,126	87,200
At 31 August 2016	-	45,679	86,264	6,126	138,069
Net book value					
At 31 August 2016	67,645	430,172	190,053	183,737	871,607
At 31 August 2015	-	197,028	123,652	172,865	493,545

14. DEBTORS

	2016 £	2015 £
Trade debtors	163,004	-
Other debtors	34,459	101,292
Prepayments and accrued income	280,978	214,240
Tax recoverable	190,555	170,958
	668,996	486,490

15. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Other loans	1,917	1,917
Trade creditors	301,916	38,418
Other taxation and social security	197,768	226,949
Other creditors	213,251	46,221
Accruals and deferred income	923,209	1,044,387
	1,638,061	1,357,892

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15. CREDITORS: Amounts falling due within one year (continued)

	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	697,329	491,037
Resources deferred during the year	460,870	605,303
Amounts released from previous years	(396,414)	(399,011)
	<u>761,785</u>	<u>697,329</u>

Deferred income at the 2016 year end relates to conversion and Universal Infant Free School meal grants for the 2016/17 school year received before the balance sheet date.

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

	2016 £	2015 £
Other loans	<u>11,502</u>	<u>13,419</u>

Included within the above are amounts falling due as follows:

	2016 £	2015 £
Between two and five years		
Other loans	<u>7,668</u>	<u>7,668</u>
Over five years		
Other loans	<u>3,834</u>	<u>5,751</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	2016 £	2015 £
Repayable by instalments	<u>3,834</u>	<u>5,751</u>

Included within other loans is a loan of £15,336 from Salix towards the purchases of a replacement central heating and hot water boilers. Annual savings of £1,917 are expected to be made. The loan is repayable over 8 years with the balance to be fully repaid by June 2023.

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17. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds - all funds	1,303,711	1,425,100	(773,673)	-	-	1,955,138
Restricted funds						
General Annual Grant (GAG)	263,656	12,341,725	(12,428,799)	(43,698)	-	132,884
Other EFA Grants	-	949,726	(949,726)	-	-	-
Start up grant	-	219,731	(219,731)	-	-	-
LEA Grant	-	967,343	(967,343)	-	-	-
Pension reserve	(4,128,000)	-	(936,000)	-	(2,581,000)	(7,645,000)
	<u>(3,864,344)</u>	<u>14,478,525</u>	<u>(15,501,599)</u>	<u>(43,698)</u>	<u>(2,581,000)</u>	<u>(7,512,116)</u>
Restricted fixed asset funds						
Fixed Assets on conversion	99,057	-	(16,328)	-	-	82,729
Catering	8,502	-	(2,126)	-	-	6,376
DFC	161,845	120,774	(89,423)	-	-	193,196
CIF	492,234	511,634	(232,410)	-	-	771,458
Other Capital Grants	-	20,000	-	43,698	-	63,698
	<u>761,638</u>	<u>652,408</u>	<u>(340,287)</u>	<u>43,698</u>	<u>-</u>	<u>1,117,457</u>
Total restricted funds	<u>(3,102,706)</u>	<u>15,130,933</u>	<u>(15,841,886)</u>	<u>-</u>	<u>(2,581,000)</u>	<u>(6,394,659)</u>
Total of funds	<u><u>(1,798,995)</u></u>	<u><u>16,556,033</u></u>	<u><u>(16,615,559)</u></u>	<u><u>-</u></u>	<u><u>(2,581,000)</u></u>	<u><u>(4,439,521)</u></u>

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

General Annual Grant - To be used for funding the school operating costs.

Other EFA Grant - To be used for funding the school operating costs.

LEA Grant - To be used towards the costs of providing special educational needs

Start up grant - To be used towards the legal, professional and other costs of conversion.

Catering - To be used to purchase capital catering equipment for Universal Infant Free School Meals.

DFC - To be used towards capital projects meeting the EFA's requirements.

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17. STATEMENT OF FUNDS (continued)

CIF - To be used towards capital projects meeting the EFA's requirements.

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

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2016 were allocated as follows:

	Total 2016 £	Total 2015 £
Bury	166,046	104,925
St Johns, Stanground	67,924	126,742
Duchy of Lancaster, Methwold	55,173	78,938
Weeting	40,066	48,314
St Martin at Shouldham	224,641	107,991
The Norman, Northwold	24,912	40,961
All Saints	122,355	73,300
Runcton Holme	3,274	17,452
Wormegay	22,248	32,663
St Peter's	193,797	65,875
Anthony Curton	101,104	109,930
Tilney All Saints	3,871	49,374
William De Yaxley	152,923	78,740
Mepal and Witcham	53,554	55,385
St Andrew's	310,383	334,873
Ely St Marys	197,022	106,915
Marshland St James	128,151	-
St Mary St Neots	109,399	-
Hilgay	4,818	-
Ten Mile Bank	(37,758)	-
Central Services	144,119	134,989
Total before fixed asset fund and pension reserve	2,088,022	1,567,367
Restricted fixed asset fund	1,117,457	761,638
Pension reserve	(7,645,000)	(4,128,000)
Total	<u>(4,439,521)</u>	<u>(1,798,995)</u>

The following academy is carrying a net deficit on its portion of the funds as follows:

Name of academy	Amount of deficit £
Ten Mile Bank	37,758

The trust is currently reviewing the most appropriate strategy for this school.

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17. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2016 £	Total 2015 £
Bury	525,513	69,052	32,943	143,096	770,604	832,902
St Johns, Stanground	690,386	121,902	55,644	181,422	1,049,354	1,012,971
Duchy of Lancaster, Methwold	318,933	118,097	35,244	102,386	574,660	601,042
Weeting	504,732	64,516	48,977	139,272	757,497	688,927
St Martin at Shouldham	564,686	47,026	82,435	163,844	857,991	837,719
The Norman, Northwold	290,262	62,644	29,970	112,401	495,277	521,820
All Saints	316,270	59,994	38,689	93,816	508,769	465,869
Runcton Holme	275,178	45,002	27,471	60,168	407,819	324,068
Wormegay	164,442	18,119	15,107	62,075	259,743	221,356
St Peter's	811,867	89,480	68,927	172,157	1,142,431	1,093,853
Anthony Curton	664,999	111,122	55,922	95,391	927,434	433,726
Tilney All Saints	211,440	49,501	44,383	98,369	403,693	149,950
William De Yaxley	690,884	92,366	80,945	128,578	992,773	887,832
Mepal and Witcham	251,213	37,697	49,296	79,452	417,658	358,139
St Andrew's	1,389,112	119,886	92,955	296,547	1,898,500	572,866
Ely St Marys	1,006,781	232,251	137,871	225,728	1,602,631	916,993
Marshland St James	328,362	55,063	39,939	70,406	493,770	-
St Mary St Neots	531,197	89,206	91,230	151,588	863,221	-
Hilgay	142,613	27,572	22,675	35,120	227,980	-
Ten Mile Bank	126,927	30,763	13,000	33,852	204,542	-
Central Services	34,042	305,079	26,760	405,100	770,981	372,972
	<u>9,839,839</u>	<u>1,846,338</u>	<u>1,090,383</u>	<u>2,850,768</u>	<u>15,627,328</u>	<u>10,293,005</u>

THE DIOCESE OF ELY MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2016 are represented by:

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	570,589	-	301,018	871,607	-
Current assets	3,034,111	176,582	772,741	3,983,434	3,206,771
Creditors due within one year	(1,638,060)	-	-	(1,638,060)	(1,357,892)
Creditors due in more than one year	(11,502)	-	-	(11,502)	(13,420)
Pension scheme liability	-	(7,645,000)	-	(7,645,000)	(4,128,000)
	<u>1,955,138</u>	<u>(7,512,116)</u>	<u>1,117,457</u>	<u>(4,439,521)</u>	<u>(1,798,995)</u>

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

	2016 £	2015 £
Net expenditure for the year (as per Statement of financial activities)	(59,526)	(1,450,339)
Adjustment for:		
Depreciation charges	87,200	31,985
Fixed Assets inherited on conversion	-	(58,433)
Increase in debtors	(182,505)	(332,161)
Increase in creditors	278,252	583,352
Defined benefit pension scheme adjustments	1,062,000	3,098,000
Net cash provided by operating activities	<u>1,185,421</u>	<u>1,872,404</u>

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	3,314,439	2,720,281
Debts due within 1 year	(1,917)	(1,917)
Debts due in more than 1 year	(11,502)	(13,419)
Total	<u>3,301,020</u>	<u>2,704,945</u>

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NOTES TO THE FINANCIAL STATEMENTS
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21. CONVERSION TO AN ACADEMY TRUST

On 1 September 2015 **Marshland St James School** converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Diocese of Ely Multi-Academy Trust from Norfolk County Council for £NIL consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

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.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Other tangible fixed assets	-	-	-	-
Budget surplus/(deficit) on LA funds	78,557	-	-	78,557
LGPS pension surplus/(deficit)	-	(77,000)	-	(77,000)
Net assets/(liabilities)	78,557	(77,000)	-	1,557

The above net liabilities include £73,530 that were transferred as cash.

On 1 September 2015 **St Mary St Neots School** converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Diocese of Ely Multi-Academy Trust from Cambridge County Council for £NIL consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

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.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Other tangible fixed assets	-	-	-	-
Budget surplus/(deficit) on LA funds	33,115	-	-	33,115
LGPS pension surplus/(deficit)	-	(383,000)	-	(383,000)
Net assets/(liabilities)	33,115	(383,000)	-	(349,885)

The above net liabilities include £33,115 that were transferred as cash.

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On 1 January 2016 **Hilgay School** converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Diocese of Ely Multi-Academy Trust from Norfolk County Council for £NIL consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

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.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Other tangible fixed assets	-	-	-	-
Budget surplus/(deficit) on LA funds	(1,795)	-	-	(1,795)
LGPS pension surplus/(deficit)	-	(29,000)	-	(29,000)
Net assets/(liabilities)	(1,795)	(29,000)	-	(30,795)

The above net liabilities include £12,000 that were transferred as cash.

On 1 January 2016 **Ten Mile Bank School**, converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Diocese of Ely Multi-Academy Trust from Norfolk County Council for £NIL consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as voluntary income.

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.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Other tangible fixed assets	-	-	-	-
Budget surplus/(deficit) on LA funds	(25,614)	-	-	(25,614)
LGPS pension surplus/(deficit)	-	(20,000)	-	(20,000)
Net assets/(liabilities)	(25,614)	(20,000)	-	(45,614)

The above net liabilities include £12,000 that were transferred as cash.

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22. CAPITAL COMMITMENTS

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

	2016 £	2015 £
Contracted for but not provided in these financial statements	<u>429,246</u>	<u>176,408</u>

23. PENSION COMMITMENTS

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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23. PENSION COMMITMENTS (continued)

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

The employer's pension costs paid to TPS in the period amounted to £790,352 (2015 - £422,860).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £860,000 (2015 - £579,000), of which employer's contributions totalled £677,000 (2015 - £449,000) and employees' contributions totalled £183,000 (2015 - £130,000). The agreed contribution rates for future years are 21% for employers and 5.5 - 8.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.00 %	3.70 %
Rate of increase in salaries	3.60 %	4.00 %
Rate of increase for pensions in payment / inflation	2.10 %	2.60 %

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

	2016	2015
Retiring today		
Males	22.5	22.5
Females	24.5	24.5
Retiring in 20 years		
Males	24.5	24.4
Females	26.9	26.9

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23. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	3,160,000	1,911,000
Debt instruments	947,000	596,000
Property	439,000	305,000
Cash	117,000	87,000
	<u>4,663,000</u>	<u>2,899,000</u>
Total market value of assets	<u>4,663,000</u>	<u>2,899,000</u>

The actual return on scheme assets was £639,000 (2015 - £60,000).

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(925,000)	(678,000)
Net interest cost	(179,000)	(121,000)
	<u>(1,104,000)</u>	<u>(799,000)</u>
Total	<u>(1,104,000)</u>	<u>(799,000)</u>
Actual return on scheme assets	<u>639,000</u>	<u>60,000</u>

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

	2016 £	2015 £
Opening defined benefit obligation	7,027,000	1,907,000
Current service cost	925,000	678,000
Interest cost	312,000	200,000
Contributions by employees	183,000	130,000
Actuarial losses/(gains)	3,087,000	(104,000)
Transferred on conversion	774,000	4,216,000
	<u>12,308,000</u>	<u>7,027,000</u>
Closing defined benefit obligation	<u>12,308,000</u>	<u>7,027,000</u>

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23. PENSION COMMITMENTS (continued)

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

	2016 £	2015 £
Opening fair value of scheme assets	2,899,000	796,000
Upon conversion	265,000	1,468,000
Interest income	133,000	79,000
Return on plan assets (excluding net interest on the net defined pension liability)	506,000	(23,000)
Contributions by employer	677,000	449,000
Contributions by employees	183,000	130,000
	<u>4,663,000</u>	<u>2,899,000</u>
Closing fair value of scheme assets	<u><u>4,663,000</u></u>	<u><u>2,899,000</u></u>

24. OPERATING LEASE COMMITMENTS

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

	2016 £	2015 £
Amounts payable:		
Within 1 year	17,120	33,754
Between 1 and 5 years	20,579	37,699
	<u>37,699</u>	<u>71,453</u>
Total	<u><u>37,699</u></u>	<u><u>71,453</u></u>

25. RELATED PARTY TRANSACTIONS

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

Howard Dellar, a trustee in the period, is a partner of law firm Lee Bolton Moniers-Williams, who provide professional services for the Diocese of Ely Multi Academy Trust. In the period to 17 May 2016 (the date of his resignation), these services totalled £76,481. In the period to 31 August 2016, these services totalled £131,462 (2015: £107,726). As at 31 August 2016 the amount due to Lee Bolton Moniers-Williams was £19,649 (2015: £8,438).

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26. POST BALANCE SHEET EVENTS

Since the balance sheet date, four new schools have converted to academies within the Diocese of Ely Multi Academy Trust. The name of the Schools and the date of their conversion are listed below:

School:	Date
Wisbech St Mary	01/09/2016
Ermine Street Church Academy	01/09/2016
St Christophers	01/11/2016
Guilden Morden	01/11/2016

A further six are expected to convert in the first quarter of 2017:

Babraham
Milton
Elm
Orchards
Guyhirn
St John's Huntingdon

27. FIRST TIME ADOPTION OF FRS 102

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

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

During the current period, the company has transitioned to FRS 102 and SORP 2015. The only impact on these financial statements is the required change in calculation of the defined benefit pension scheme finance cost and actuarial gain or loss. Although the comparative balance sheet and net asset position have remained unchanged, an adjustment has been made to increase the reported actuarial gain in the above SOFA by £33,000 (from £48,000 previously reported). Consequently, an increase in finance cost within expenditure of £33,000 have also been made to the comparative figures.

28. MEMBERS' LIABILITY

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