



**MAIDEN ERLEGH**  
TRUST

**(A Company Limited by Guarantee)**  
**Annual Report and Financial Statements**  
**Year ended 31 August 2017**

**Company Registration Number:**  
**07548754 (England and Wales)**

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# Maiden Erlegh Trust

## Reference and Administrative Details

### Board of Trustees of the Multi Academy Trust

#### Members

Mr Nick Jones  
Mr Ian May  
Mr Huw Jones  
Mrs Julie Dennis (from November 2017)

#### Trustees

Mr Nick Jones Chair of Board of Trustees  
Mr Ian May Vice-Chair of Board of Trustees  
Miss Mary Davies Executive Headteacher  
(from January 2017)  
Mr Jonathon Peck Director of Finance and Operations  
(from April 2017)  
Mr Robert Kenwick  
Mrs Jan Rothwell  
Mr Alastair Starnes  
Ms Lindsey Bowden (from February 2017)  
*Dr Peter Thomas* *Chief Executive (to December 2016)*  
*Mrs Julie Dennis* *Executive Director (to April 2017)*  
Mrs Jennifer Barrett (from November 2017)

#### Senior Management Team

Miss Mary Davies Executive Headteacher  
Mr Jonathon Peck Director of Finance and Operations  
Mrs Alison Morgan Snr Deputy Headteacher (Maiden Erlegh)  
Mr Richard Hawthorne Deputy Headteacher (Maiden Erlegh)  
Mrs Alison Walker Deputy Headteacher (Maiden Erlegh)  
Mrs Sara Elliss Deputy Headteacher (Maiden Erlegh)  
Mr Andrew Johnson Head of School (Maiden Erlegh in Reading)  
Mr Richard Ferris Headteacher (Great Hollands Primary)

#### Company Secretary

Mr Jonathon Peck

#### Company Number

07548754

#### Bankers

NatWest  
Reading Branch  
131 Crockhamwell Road  
Woodley  
Reading  
RG5 3XZ

# Maiden Erlegh Trust

**Independent  
Auditor**

PKF Littlejohn LLP  
Statutory Auditor  
1 Westferry Circus  
Canary Wharf  
London  
E14 4HD

**Solicitors**

Winckworth Sherwood LLP  
Minerva House  
5 Montague Close  
London  
SE1 9BB

# Maiden Erlegh Trust

## Trustees' Report

The Trustees present their annual report together with the audited financial statements and auditor's report of the charitable company for the year ended 31 August 2017. The annual report serves the purposes of both a members report, and a directors' report under company law.

The multi-academy trust comprises two secondary schools and one primary school:

Academy School	Capacity as listed in Funding Agreement	Pupils on Roll (Oct 16 census)
Maiden Erlegh School	1,788	1,776
Maiden Erlegh School in Reading <i>Opened September 2015</i>	900	540 (Year 7, 8 and 9)
Great Hollands Primary School <i>As of 1<sup>st</sup> July 2017</i>	480 (rising to 630) Plus 52 nursery places	423 29 nursery

### Structure, Governance and Management

#### Constitution

Maiden Erlegh Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of Maiden Erlegh Trust are also the Directors of the charitable company for the purposes of company law. The charitable company is known as Maiden Erlegh Trust.

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

#### Members' Liability

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

#### Trustees' Indemnities

There were no provisions required for third party indemnity. In accordance with normal commercial practice, the Trust has purchased indemnity insurance for members of the Trust and the Local Advisory Boards to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business.

#### Method of Recruitment and Appointment or Election of Trustees

Governors are subject to retirement by rotation on a four-yearly cycle (with the exception of the Executive Headteacher who is appointed ex-officio), but are eligible for reappointment at the end of this year. On 1 April 2011 all former Governors of the School became members of the Governing Body of the Academy. See 'Organisational Structure' for more details on the appointment process. Members of the Local Advisory Board will be drawn from the community and will represent those employed within the Academy, parents of students attending the Academy, organisations who provide support or work in partnership with the Academy and the wider community. Each Local Advisory Board is to comprise of between 8-10 persons with at least 2 members being elected from amongst the parents of students attending the Academy and 1 member being elected from the staff body by a secret ballot.

# **Maiden Erlegh Trust**

## **Trustees' Report (continued)**

### **Policies and Procedures Adopted for the Induction and Training of Trustees**

Training and induction for new Trustees and Local Advisory Board (LAB) members depends on their existing experience. During the year to August 2017 four new LAB members were appointed. Induction for new LAB members provides training on charity, educational, legal and financial matters. All new LAB members meet with the Headteacher and receive a tour of the school with the chance to meet staff and students. They are provided with copies of policies, procedures, minutes, budgets and any other documents necessary to undertake their role. New LAB members will be appointed as LAB Champions, who will focus on key areas of the schools' work based on the School Improvement Plan. They will meet with lead staff to monitor improvement at least three times a year. All LAB members and trustees have access to the National Governors Association training, resources, e-learning modules, helpline and e-bulletins, plus training and updates offered by Wokingham and Reading Borough Council Governor Services. Any LAB member or trustee new to the Finance working group or committee is provided with in-house training by the Director of Finance and Operations.

### **Organisational Structure**

The Academy has three founding members who signed the Memorandum of Association dated 2 March 2011. At any time there must be at least three members (no maximum number is specified). The Members of the Academy meet at least three times per year, in addition to the AGM.

The Members delegated the management of all business to the Board of Trustees from 2 October 2014.

On 2 October 2014, the Members approved conversion to become a Multi-Academy Trust. The governance arrangements changed to create a Board of Trustees of the Trust and a Local Advisory Board for Maiden Erlegh School. The Trust has 4 committees - Performance and Improvement, Behaviour, Attendance, Safeguarding and Safety (BASS), Finance and Resources, and Audit and Risk. In September 2015 a Local Advisory Board (LAB) for Maiden Erlegh School in Reading was created, and on 1 July 2017 a Local Transition Board was created to govern Great Hollands Primary School.

The Executive Headteacher is the Accounting Officer. The Executive Headteacher along with the Director of Finance and Operations control the Trust at an executive level, implementing the policies set out by the Board of Trustees and providing feedback and professional advice to them. Each committee has a member of the TLG that sits on it.

The Executive Headteacher and Director of Finance and Operations are further supported in management of the day to day operations of the Trust by the Senior School Leadership Group (SSLG) which is made up of a Senior Deputy Headteacher, three Deputy Headteachers, a Head of School and a Primary Headteacher.

Budgets are approved by the Board of Trustees.

### **Arrangements for setting pay and remuneration of key management personnel**

Maiden Erlegh Trust has established pay ranges for key management personnel within the Leadership Pay Range, based on the principles of the STPCD. A similar range, based on NJC terms has been determined for the Director of Finance and Operations. On determining the appropriate pay ranges the Trust considered the permanent responsibilities of each role, any challenges that are specific to the role and all other relevant considerations. The Headteacher group is established by a total unit score. The total unit score is determined in accordance with the number of pupils on the school register, calculated by each key stage, with a number of units assigned to each pupil, thus giving a total unit score.

### **Related Parties and other Connected Charities and Organisations**

In March 2012 the Academy was awarded Teaching School status and, as such, has set up a Teaching School Alliance with four other schools and Reading University.

# Maiden Erlegh Trust

## Trustees' Report (continued)

### Objectives and Activities

#### Objects and Aims

- (a) to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies offering a broad and balanced curriculum
- (b) to promote for the benefit of the inhabitants of the areas in which the Academies are situated the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Maiden Erlegh Trust schools will excel at bringing out the best in students of all abilities. To do this we place students at the heart of what we do and work closely in partnership with parents and local business and associations. We will provide:

- A safe, calm, respectful and happy place to work and learn.
- Stimulating and challenging learning for all.
- High quality and inspiring teaching.
- A rich and relevant curriculum.
- Varied and exciting extra-curricular opportunities which allow students to flourish outside the classroom.
- High quality and personalised pastoral care.

None of our schools will be complacent – we will compare our work with that of the best schools in the country and continue to improve.

#### Objectives, Strategies and Activities

The strategic aims of the Trust in relation to its schools for the year ended August 2017 are summarised below:

The schools in our trust will:

- Provide the best comprehensive education in the area and be in the top 10% of schools nationally.
- Provide a safe, respectful and calm environment in which to learn and work.
- Provide a quality of teaching which is typically no less than "good" and more often "outstanding".
- Provide a broad and balanced integrated academic and enrichment curriculum so that students are motivated and enthused, achieve the highest standards and are prepared for the next phase of their lives.
- Provide useful information and feedback to students so they know how to improve and can take responsibility for that improvement.
- Provide useful information to parents so they can support their children's improvement.
- Provide effective support and development opportunities to staff and promote high levels of morale and job satisfaction.

The Trust's strategies are encompassed in its values and ethos – its schools are schools of **"opportunity, diversity and success for all"**, enabling students to develop socially as well as academically, be confident about themselves, motivated by a strong sense of personal worth and showing consideration for others. The Trust and each of its constituent Academies sets clear expectations and high standards of behavior, promoting traditional values which underpin life-long learning and achievement.

#### Public Benefit

In setting objectives and planning activities, the Trust has given careful consideration to the Charity Commission's general guidance on public benefit and believes it has conducted the Trust's business in accordance with the highest standards of integrity, probity and openness.

# Maiden Erlegh Trust

## Trustees' Report (continued)

### Strategic Report

#### Achievements and Performance

Key Stage Four results show an upward trend (eg: +0.41 to +0.65 for Progress 8 between 2015 to 2017) and exceptionally strong attainment on the new measures (eg: both Attainment 8 and %Grade 5+ in both English and Maths above national). In addition, generally the differences in performance between boys and girls and between disadvantaged and non-disadvantaged have reduced.

Key Stage 5 results show a positive progress trend, despite a slight 2017 dip. Progress was as expected for the Year 13 cohort with an average grade of C at A Level. Attainment on vocational courses improved slightly with an average grade of Distinction.

Rates of exclusion and persistent absence remain below the national average, including for Free School Meals and EHP SEND students (2016 figures).

As a result of the school's exceptional performance, we were received the following awards in 2016/17:

- NACE Decade of Challenge Award, for work with the most able
- SSAT Key Stage 4 Outcomes Award (top 20% nationally for attainment and for progress)
- Leading Parent Partnership Award (LPPA) for work with parents
- Young Carer Bronze Award
- Basic Skills Award, for work on Literacy and Numeracy
- Pupil Premium Key Stage 4 Regional Winner (second year running)

The Trust has set and maintained balanced budgets enabling it to deliver the aims detailed above.

#### Key Performance Indicators

The aims of the Academy, against which performance will be assessed are set out in 'plans for future years'.

#### Going Concern

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

#### Financial Review

The results for the year are set out on page 28 of the Financial Statements. Net income for the year was £4,892,000 (2016 as restated £12,779,000). This includes income from the Education and Skills Funding Agency for assets in the course of construction related to the new free school, Maiden Erlegh School in Reading.

Net current assets as at 31 August 2017 were £2,901,000 (2016 - £2,639,000). The pension liability in relation to the Royal County of Berkshire Pension Fund was £5,431,000 at the year-end (2016 - £4,793,000) (see note 26).

The Academy receives the majority of its income from the Education and Skills Funding Agency (ESFA) in the form of General Annual Grant (GAG) and other grants. The funding received in the year and the associated expenditure are shown as restricted general fund transactions in the Statement of Financial Activities (SOFA).

Grants are also received from the EFA for fixed assets. These are shown as restricted income within the fixed assets restricted funds. The balance sheet restricted fixed assets funds are reduced by expenditure equivalent to any depreciation charges over the expected useful economic lives of the assets.

# Maiden Erlegh Trust

## Trustees' Report (continued)

### Reserves Policy

The Trustees have determined that the appropriate level of reserves should be the equivalent of one month's expenditure, which is approximately £1,149,000. The Academy's current level of free reserves is £1,502,000 (2016 - £1,373,000). The reserve levels and policy is reviewed annually. The current level of reserves will be used by the Trust to support any in-year deficit budget arising over the next two years until the outcome of the National Funding Formula is known, and to create capacity for Trust expansion and deliver on school improvement programmes across all Trust schools. Maiden Erlegh Trust constantly reviews its staffing structure and other expenditure. Pension contributions for the local government defined benefit pension scheme were actuarially assessed in 2016, and are due to be assessed again in 2019, which is the earliest time that contribution rates can be amended to deliver repayment in a reasonable time frame (currently 24 years).

### Investment Policy

The Trust currently operates a sweep account for its main budgeted income, allowing higher interest on the majority of its funds. Where cash balances are available for a specific length of time, investment in a higher interest bearing account will be considered, such as fixed rate deposits.

### Principal Risks and Uncertainties

Having considered the nature of the Trust, the Trust's exposure to a number of financial risks including credit, cash flow and liquidity risks is deemed to be low. The Trust does however have a liability of £5.4m in respect of the local government defined benefit pension scheme. This was actuarially assessed in March 2016 and contributions amended to 17.6% to deliver a repayment of the debt in 24 years. The next full actuarial assessment will be in March 2019. The scheme is also actuarially assessed annually and is reported under FRS 102.

The Trustees have assessed the major risks to which it is exposed, in particular those relating to the specific teaching, safeguarding of students and staff, and the finances of the Academy. They have in place a detailed risk register with control measures and action plans in place in order to minimise risks. The Trust has an effective system of internal financial control in place.

The trust has identified the principal risks and uncertainties:

<b>Risk</b>	<b>Detail of Risk</b>	<b>Mitigation Plan</b>
OFSTED judgements below target at each of the Trusts schools	Framework has changed from September 2014. Much more emphasis on disadvantaged students and narrowing the gap. Also on post-16. There is also an emphasis on 'deep learning' and 'mastery' as well as well as progress and assessment models will need to change. Stakeholder perceptions may change if not an Outstanding school.	Executive Headteacher is a practising Inspector and therefore has insight of OFSTED requirements.  Consistency of approach across the Trust to embed best practice.
Central Government Funding	Continuing major funding reforms and loss of formula protections may result in an inability to set in year balanced budgets in 2018/19 and beyond.	Develop income generation through improved marketing, targeted investments in income-generating facilities and increase income generated by the Teaching School.
Trust Growth	Slower growth in the number of Trust schools means that efficiencies and economies of	Keep abreast of developments in the local area and enhance relationships with the DfE and

## Maiden Erlegh Trust

	scale not delivered to support the strategic plan.	RSC to ensure opportunities are identified in a timely fashion.
Reputational Risk	Risk to reputation of the Trust if schools performance is below target.	Monitoring and tracking continues to be a top priority. Where progress is not on track, immediate reporting to the LAB's and Trust to agree action plans via Executive Headteacher.
Compliance	Non-compliance in areas of employment law, Health and Safety and financial probity.	Continue to procure into HR, Legal, H&S, Governor and Finance advice and relevant staff to ensure they keep abreast of changes to the law. Continuous review of near misses in all areas with action plan to avoid recurrence.
New schools joining the Trust	Reputational and financial risk.	An appropriate level of legal support during the due diligence process to ensure risks are understood, minimised and mitigated.
GDPR Compliance	Financial risk as a result of non-compliance.	Seek external expert advice and guidance to ensure the Trust is compliant from the enforcement date. Appoint appropriate DPO to ensure ongoing compliance. Staff training to ensure all staff members are aware of their own obligations.

### Plans for Future Periods

The Trust will continue to offer all students the ability to achieve high standards within a secure, caring community. The strategic plans for 2017-18 outline strategies for further sustained improvement in relation to personalised success outcomes for students for both of its' schools, resulting in consistency, accuracy, no dips, no gaps, no excuses, expert teachers and skillful learners. The detail for each school under key headings are as follows:

# Maiden Erlegh Trust

## Trustees' Report (continued)

### Maiden Erlegh School

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- Young Carer Bronze Award
- Basic Skills Award, for work on Literacy and Numeracy
- Pupil Premium Key Stage 4 Regional Winner (second year running)

### **ACTION AREA: OUTCOMES FOR LEARNERS**

#### **Foundation Stage (June Y8 2018)**

Expected Progress (all)	
Overall	+1.0
<i>min</i>	+0.5
English	+1.1
Maths	+1.1

English: Gender Gap 5% Disadvantaged Gap 5%  
 Maths: Gender Gap 5% Disadvantaged Gap 5%

#### **Key Stage 4 (end Y11 2018)**

KS4	2018 5 (4)	PP 20178 5 (4)
% EBACC entered	59%	32%
%EBACC of whole cohort	40%	30%
Progress 8	0.5	0.5
Attainment 8	5.85	5.25
P8 Eng	+0.4	+0.4
P8 Ma	+0.5	+0.5
9-5(4) En	80% (87%)	80% (87%)
9-5(4) Ma	80% (87%)	63% (87%)
9-5(4) x2 Sci	80% (87%)	80% (87%)
9-7 Eng	20%	10%
9-7 Ma	30%	20%
9-7 x2 Sci	30%	20%

Disadvantaged, FSM, Gender gaps 5% or 0.5 grade

# Maiden Erlegh Trust

## Trustees' Report (continued)

### Key Stage 5 (end Y13 2018)

Year 13	
%A*B	55%
%A*C	90%
%A*E	100%
%C+ Retake English	100%
%C+ Retake Maths	50%

### ACTION AREA: QUALITY OF TEACHING, LEARNING & ASSESSMENT

#### Quality of impact of classroom practice (substantive staff)

% Typically GR1 / GR2	
Teaching Overall	100%
Departments	100%
% Typically GR1	
Teaching Overall	50%
Departments	60%

#### Focus areas:

- Challenge
- Literacy & numeracy
- Questioning
- Impact of homework on mastery and application

#### Leadership of teaching, learning and assessment

Senior and Middle Leaders' leadership of teaching, learning and assessment.

They intervene rapidly and effectively to support weaker practice.

#### Assessment

Lesson observations show that SOW and lesson sequences are planned based on appropriate use of prior attainment data and accurate ongoing assessment. Feedback is based on accurate assessment and leads to personalised improvement advice (e.g.: DIRT).

#### Predictive data is accurate:

- Attainment predictions by October Year 11 and February Year 12/13 are within 5% of final results.
- Progress predictions by October Year 11 and February Year 12/13 are within 0.3 of final results.

#### Student target setting

Targets are challenging and in line with, or better than, the overall school targets.

Student engagement with the own targets is strong as evidenced by:

- Appropriateness of targets
- Engagement with half termly report reviews (Y7-11)
- Engagement with 16-19 Study programme reviews (Y12-13)

#### Reporting

All staff understand the new benchmarking and grading system Y7-11 accurately enough to give honest information to parents and students.

Parents and students understand the new grading system.

# Maiden Erlegh Trust

## Trustees' Report (continued)

### ACTION AREA: PERSONAL DEVELOPMENT, BEHAVIOUR & WELFARE

#### Attendance & Punctuality

	2018
% Absence	=↓
% Persistent Absence	<5%
% Persistent Absence Disadvantaged	<5%
% overall lates	<2%
% Lates Y10	↓
% Lates KS5	↓

#### Exclusions

	2018
% Fixed Term Exclusions	=↓
% Permanent Exclusions	0%

#### Safeguarding & Bullying

	2018
Incidents of bullying	↓
Students feeling safe	↑

#### Maintaining the culture of the school

Pastoral learning walks and sanctions show that:

- students wear school uniform with pride
- there is a reduction in litter

There is an increase in student and parents positive perceptions of behaviour.

Teacher and support staff views of behaviour remain positive overall and reflect further improvements in consistency.

Repeat offenders for FTEs, ALPs and lesson isolations remain low (e.g.: at least in line with 2016/17).

The Sixth Form are leaders for pride in, and commitment to the school (as evidenced in surveys, participation)

#### Behaviour for learning

Punctuality:

Y7-11 % average lates to lessons	< 0.7
Y12-13 average % lates to lessons	<1.0

1. Surveys indicate further improvements in student independence
2. Lesson observations and/or work scrutiny shows:
  - Presentation of written work: no discernible gender gap
  - Organisation of folders/books: no discernible gender gap
  - Engagement with DIRT/improvement activities: good-high impact for almost all students
  - "Work reviews" are used as homework in all years (structured in Y7-8)
  - KS5 students engage independently with PLCs and use them to plan private study and revision activities
  - BBBB (or local alternative) is used consistently in all areas and engagement is high amongst almost all students

#### Behaviour Logging

- Behaviour data is logged in full (including location)
- HODs have a good understanding of behaviour patterns in their areas

Positive recognition points are used by staff for all year groups.

# Maiden Erlegh Trust

## Trustees' Report (continued)

### **Mental Health and Resilience**

The school's actions to support the mental health and resilience of students, as well as how to access external agency support, are presented clearly to students, parents and staff (as well as how to access the different levels).

## **ACTION AREA: EFFECTIVENESS OF LEADERSHIP & MANAGEMENT**

### **Curriculum Development**

- 2018 KS4 and KS5 curriculum pathways in place by October half term.
- Vocational offer is fit for purpose and integrated into the pathways in KS4 and KS5.

### **Curriculum Planning**

- For each New Specification course there is a Scheme of -Work and Assessment in place taking into account by September 2016 (or overview with roll out plan).
- Foundation SOW/SOA have been reviewed for legacy courses to build in challenge.
- Course overviews are on the website for parents (by October half term)
- Provide alternative pathways for very LAP and inclusion students.

### **Professional Development**

- All staff are clear about the differentiated central CPD on offer to them at the start of the year and have opportunities to contribute to the programme and select some elements for themselves.
- All staff are clear about the local CPD on offer to them through their teams and have opportunities to contribute to the programme and select some elements for themselves.
- All staff have an opportunity to feed back on the quality of CPD on offer.

### **Leadership Support**

Leadership quality maintained and improved in face of changes.

### **Recruitment and Medium Term Supply Cover**

- Review of recruitment strategies to ensure we are competitive in the current market.
- Medium term supply teachers receive induction from HODs and QoTLA assessed within the first week so that support can be put in place.
- ODs write to parents whenever medium term supply is put in place so they are aware of how we are managing changes in teachers.

### **Careers and Preparation for World of Work**

- Student voice shows clear improvements for:
  - Work experience in KS5
  - IAG for non UCAS students
  - Preparation for world of work through PSMSC

### **Awards and Kite Mark renewals**

- Artsmark renewed October 2018
- Equalities Award renewed July 2018
- NACE Award renewed Oct 2018

### **Staff Wellbeing**

Staff surveys show improvements in satisfaction for:

- Personalised professional development
- Feelings of validation and appreciation
- Quality of line management
- Impact of poor student behaviour
- Mutual support / consistency

# Maiden Erlegh Trust

## Trustees' Report (continued)

### Cost Efficiency

- All new initiatives/resources are fully costed before agreement with clear plans for funding sources (i.e.: what costs will be removed, where grants will come from)
- Review of ways of working (especially across the Trust) to find economies of scale
- Calendar review to reduce cover costs
- Statutory requirements in terms of safeguarding, health & safety, financial management, equality and human resources and website content are fully met

## Maiden Erlegh School in Reading

### ACTION AREA: OUTCOMES FOR LEARNERS

#### Foundation Stage (June 2018 – Y8)

Expected Progress (all)	
Overall	1 (Above average national progress)
English	>1
Maths	>1

English: Gender Gap 5% Disadvantaged Gap 5%  
 Maths: Gender Gap 5% Disadvantaged Gap 5%

#### KeyStage 4 (June 2018 – Y9 only)

- 80% making above average national progress across all subjects
- No more than 5% making less than average national progress in any subject

Disadvantaged, Gender gaps 5% or 0.5 grade

### ACTION AREA: QUALITY OF TEACHING, LEARNING & ASSESSMENT

#### QUALITY OF IMPACT OF CLASSROOM PRACTICE

Teaching overall	60% (inc Eng and Maths)
Departments	>4 dpt
Teaching overall	100%
Departments	ALL dpt
Supply staff	100%
Classroom routines embedded	100%
	MER Staff
	85%
Homework policy and routines embedded	100%
	MER Staff
	85%
Homework challenge embedded	100%
	MER Staff
	85%
	Supply staff

### ACTION AREA: PERSONAL DEVELOPMENT, BEHAVIOUR & WELFARE

Maintain and embed high rates of Attendance & Punctuality

#### 2017/18 Targets

% Absence	<4%
% Persistent Absence	<8%
% Persistent Absence (FSM)	<8%
% Persistent Absence (SEND)	<8%

# Maiden Erlegh Trust

## Trustees' Report (continued)

% Students receiving:	
Fixed Term Exclusions	<1.0
Permanent Exclusions	0%

### **ACTION AREA: EFFECTIVENESS OF LEADERSHIP AND MANAGEMENT**

#### **Curriculum Development**

- All new courses have Schemes of Work and Schemes of Assessment in place (with standardisation plans).

#### **Policy into Practice**

- Policy is implemented consistently and monitored by leaders.

#### **Professional Development**

- Enhanced CPD menu to include support staff options.

#### **Support Staff Team Development**

- Support staff team posts identified and recruited as school moves into third year

#### **Leadership Capacity Development**

- Middle leadership and senior posts confirmed and recruited for year school moves into third year

#### **Staff Wellbeing**

- Staff surveys show improvements in satisfaction.

#### **Cover**

- Cover is reduced further and the quality of cover lessons is improved.

#### **Parent Engagement**

- Engagement with parents is improved

#### **Communication**

- Internal and external communication is improved to communicate and celebrate the work of the school

#### **Facilities Development**

- The school's facilities develop in line with school growth

#### **Breakfast Club**

- Feasibility and business plan is developed to open a breakfast club to support inclusion and student welfare

#### **Health & Safety and Data Protection**

- The school is compliant with Health & Safety and new Data Protection laws.

#### **Budget**

- Value for money and standards maintained through high impact strategies, efficiency savings, income generation and sponsorship/grant generation.

# Maiden Erlegh Trust

## Trustees' Report (continued)

### Great Hollands Primary School

#### ACTION AREA: OUTCOMES FOR LEARNERS

EYFS provision provides sound foundations for all pupils to be able to access KS1 and 2 successfully. Differences in performance between the performance of boys and girls and DA and non-DA.

					Min Target	Target	Exceed
37 GHPS 23 other	R	12 (32%)	16 (43%)	9 (24%)	22 (59%)	25 (77%)	4 (11%)
	W	12 (32%)	16 (43%)	9 (24%)	22 (59%)	25 (77%)	4 (11%)
	M	10 (27%)	19 (51%)	8 (22%)	24 (65%)	27 (73%)	7 (19%)
	GLD	18 (49%)	10 (27%)	9 (24%)	19 (51%)	24 (65%)	4 (11%)

#### Key Stage 1

Reading	No	FFT 50	FFT 20	Writing	No	FFT 50	FFT 20	Maths	No	FFT 50	FFT 20
All	69	69%	76%	All	69	61%	69%	All	69	68%	76%
M	37	59%	67%	M	37	48%	57%	M	37	62%	70%
F	32	81%	86%	F	32	75%	82%	F	32	76%	84%
DA	21	64%	71%	DA	21	56%	64%	DA	21	62%	71%
LAP	28	36%	47%	LAP	28	25%	36%	LAP	28	37%	49%
MAP	17	87%	93%	MAP	17	78%	88%	MAP	17	85%	91%
HAP	24	95%	97%	HAP	24	89%	94%	HAP	24	93%	96%

#### Key Stage 2

Reading	No	FFT 50	FFT 20	Writing	No	FFT 50	FFT 20	Maths	No	FFT 50	FFT 20
All	59 (57)	55%	68%	All	59 (57)	63%	71%	All	59 (57)	60%	67%
M	35	53%	66%	M	35	59%	67%	M	35	62%	69%
F	24	57%	70%	F	24	69%	77%	F	24	55%	64%
DA	29	51%	64%	DA	29	59%	67%	DA	29	55%	63%
LAP	25	25%	39%	LAP	25	31%	42%	LAP	25	25%	35%
MAP	25	71%	85%	MAP	25	83%	90%	MAP	25	81%	88%
HAP	9	93%	96%	HAP	9	96%	98%	HAP	9	96%	98%

SPAG	No	FFT 50	FFT 20
All	59 (57)	61%	69%
M	35	58%	66%
F	24	65%	72%
DA	29	57%	64%
LAP	25	27%	37%
MAP	25	82%	89%
HAP	9	98%	99%

In-school gender and DA gaps with national

- < 20% (reading)
- < 8% (writing)
- < 30% (maths)
- < 30% (SPAG)

#### ACTION AREA: PERSONAL DEVELOPMENT, BEHAVIOUR & WELFARE

Overall Attendance for all is in line with national. (3.9%)

Gap reduced between FSM and non-FSM attendance to become in line with national. (5.2% v 3.4%)

Persistent Absence for all is in line with national (8.8%)

Persistent Absence for boys is in line with national (9.0%)

# Maiden Erlegh Trust

## Trustees' Report (continued)

	MALE	FEMALE	ALL
PEX	0	0	0
FTT	7	2	9
REPEAT FTT	0	0	0

- Reduction in FTEs for boys, SEND and DA pupils.
- Decrease in % of recorded incidents compared to previous year.
- Low level disruption in lessons is significantly reduced across the school as noted in lesson observations and stakeholder voice.

### ACTION AREA: QUALITY OF TEACHING, LEARNING & ASSESSMENT

#### Quality of Teaching and Learning

- All senior and middle leaders monitor QoTLA accurately and consistently
- Evaluations of the QoTLA are accurate compared with external reviewers
- Lesson observations, work scrutiny, student outcomes and student voice show that
  - the quality of TLA is typically good
  - attitudes to learning is typically good
  - behaviour is typically good
  - TAs and teachers work together to improve outcomes for students

#### Quality of Assessment

- The target setting approach is clear to all stakeholders.
- All staff are clear on the assessment process and how to formatively and summatively assess.
- Parents are clear how to use assessments at each data point.
- The pupils understand their strengths and areas for improvement.
- Assessments are broadly in line with actuals.

### ACTION AREA: EFFECTIVENESS OF LEADERSHIP AND MANAGEMENT

#### Headteacher Impact

HT is an effective leader, evaluates the performance of the school accurately and meets requirements of action plan by December 2017.

#### Curriculum

The curriculum is broad, stimulating and compliant so that all students are challenged and prepared for the next phase of their education.

#### School Evaluation and Improvement

The SEF, SIP, KSDPs, PP Plan and Sports Grant Plan and Appraisal are all intrinsically linked so that all staff understand their role in driving improvement in the school.

#### Governance

The school has strong and effective governance in place

#### Professional Development & Appraisal

The school's CPD and appraisal programmes are relevant and rigorous, leading to improvements in standards.

#### Finance

The school operates within a balanced budget.

# Maiden Erlegh Trust

## Trustees' Report (continued)

### Development of the Trust

The Trust will continue to develop in line with its Business Plan to bring more schools into the Trust where this is deemed to be appropriate and will enhance the viability of the Trust.

These key objectives will be supported by the following:

- Financial management
- Trust Business Plan
- School Improvement Plan
- Information Technology strategy
- Standards strategy
- Appraisal Policy
- Continuous Improvement Programme

### Funds Held as Custodian Trustee on Behalf of Others

No funds are held as Custodian Trustee on behalf of others by the Academy.

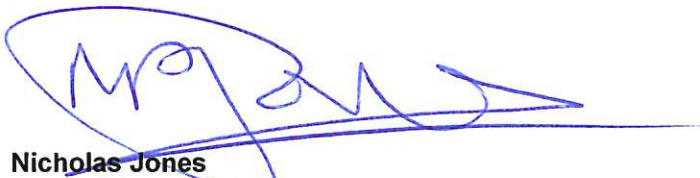
### Auditor

Insofar as the trustees are aware:

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

PKF Littlejohn LLP were appointed as auditor for the Academy Trust during the year and has signified its willingness to continue in office.

Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on \_\_\_\_\_ and signed on the board's behalf by:



**Nicholas Jones**  
Chair of the Board of Trustees

# Maiden Erlegh Trust

## Governance Statement

### Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Maiden Erlegh 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 five times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of a possible
Mr Nicholas Jones	5	5
Mr Ian May	4	5
Miss Mary Davies (from January 2017)	4	4
Mr Jonathon Peck (from April 2017)	3	3
Mrs Julie Dennis (to March 2017)	3	3
Mr Robert Kenwick	4	5
Miss Lindsey Bowden (from December 2016)	4	4
Mrs Jan Rothwell	4	5
Mr Alastair Starnes	5	5
Dr Peter Thomas (to December 2016)	2	2

The Board of Trustees has changed in the year to 31 August 2017. On 1 December 2016 Miss Lindsey Bowden was appointed as a Trustee. On 31 December 2016, Dr Peter Thomas retired from the board and his position as Chief Executive of the Trust, and Miss Mary Davies was appointed Executive Headteacher and Trustee in January 2017. On 30 April 2017 Mrs Julie Dennis retired from the board and her position as Business Manager, and Mr Jonathon Peck was appointed Director of Finance and Operations and Trustee. The Trust continues to review its composition and remains committed to seeking additional trustees, to include a person with human resources expertise. Furthermore the Trust are looking to expand the number of members also. In November 2017 Members agreed to appoint Mrs Julie Dennis as a Member, and Mrs Jennifer Barrett as a Trustee with primary phase experience.

The Trust has continued to increase the number of Local Advisory Board (LAB) members for Maiden Erlegh School in Reading as the school becomes established, and as at 31 August 2017 a Local Transition Board is in place to govern Great Hollands Primary School.

### Committees

The **Finance, Resources and Sites Committee** is a sub-committee of the main Board of Trustees. Its purpose is to:

- Provide financial reports to the Trust including 3 year projections
- Recommend to the Trust levels of delegation to schools of areas relevant to this committee
- Recommend level of charges to the Trust for each school
- Approve the budget plans of each school
- Monitor income and expenditure across the Trust
- Review staffing structures within the schools and the Trust
- Recommend pay awards to the Trust
- Ensure salaries of all staff are determined and reviewed annually
- Review site development plans and conditions surveys
- Assist with capital grant applications

# Maiden Erlegh Trust

## Governance Statement (continued)

- Oversight of capital projects
- Prepare, review and approve/recommend relevant policies.

During the year to August 2017, this group discussed the implications of continuing drops in funding from the Education and Skills Funding Agency and ways of mitigating the risks, including the importance of maintaining and increasing student numbers in those schools where there is capacity, the National Funding Formula, Responsible Officer reports and the use of the MAT central charge/top slice.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Nick Jones (Convenor)	3	3
Mr Ian May	3	3
Mr Bob Kenwick	2	3
Mr Alastair Starnes	3	3
Miss Mary Davies	3	3
Dr Peter Thomas (to December 2016)	0	1
Mrs Julie Dennis	2	2
Mr Jonathon Peck	1	1

The **Audit and Risk committee** is also a sub-committee of the main Board of Trustees. Its purpose is to:

- Receive and approve the management report from auditors at Year end, agree action plan and report to the Trust
- Appoint external auditors
- Receive reports from the external 'Responsible Officer', agree action plans and report to the Trust.
- Carry out skills audits across the Trust and report back to the Trust with recommendations
- Prepare the Trust risk register
- Receive reviews of compliance, whistleblowing and fraud and ensure action taken in any instances
- Review complaints received and recommend to the Trust any actions
- Review Business Interests across the Trust
- Review Insurance arrangements for schools and the Trust
- Prepare, review and approve /recommend relevant policies

The group has dealt with issues around the Trusts' obligations to the Tirabad Outdoor Educational Centre, major risks to the Trust and ways of mitigating against them, due diligence on potential sponsor academies, and received the year end management report from the external auditor.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Nick Jones (Convenor)	3	3
Mr Bob Kenwick	3	3
Mr Ian May	2	3
Miss Mary Davies	2	2
Dr Peter Thomas	0	1
Mrs Julie Dennis	2	2
Mr Jonathon Peck	1	1

### Review of Value for Money

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

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

# Maiden Erlegh Trust

## Governance Statement (continued)

- Recruiting sufficient qualified teachers to fully staff Maiden Erlegh School and Maiden Erlegh School in Reading for the coming academic year
- Sharing roles and support functions across the Trust creating economies of scale

### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Maiden Erlegh Trust for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

### Capacity to Handle Risk

The Board of Trustees have reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees are of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

### The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- regular reviews by the Finance, Resources and Sites 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 Trust continues to use the services of the Centre for Education and Finance Management Ltd as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. On a termly basis, the RO reports to the Trust and the LABs on the operation of the systems of control and on the discharge of their financial responsibilities as required by the ESFA. The Trust believes that the RO function has been fully delivered in line with the ESFA's requirements. No material control issues have arisen as a result of the RO's work.

The RO role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the current period included:

- testing of payroll systems
- testing of procurement systems
- testing of control account/ bank reconciliations
- testing of income systems

On a termly basis, the RO reports to the Board of Trustees, through the Audit and Risk and Finance, Resources and Sites Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

# Maiden Erlegh Trust

## Governance Statement (continued)

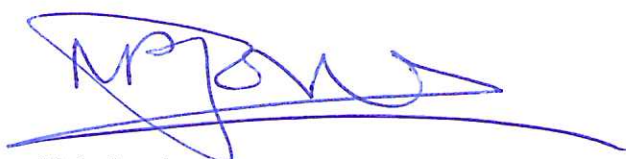
### Review of Effectiveness

As Accounting Officer the Executive Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Responsible Officer
- the work of the external auditor
- the work of the Executive Directors within the academy trust who have responsibility for the development and maintenance of the internal control framework

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

Approved by order of the members of the Board of Trustees on *5 December 2017* and signed on its behalf by:



**Nicholas Jones**  
Chair of the Board of Trustees



**Mary Davies**  
Accounting Officer

# Maiden Erlegh Trust

## Statement of Regularity, Propriety and Compliance

As Accounting Officer of Maiden Erlegh Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust 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 ESFA.



**Mary Davies**  
Accounting Officer

# Maiden Erlegh Trust

## Statement of Trustees' Responsibilities

The Trustees (who act as governors of Maiden Erlegh Trust and are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction published by the Education Funding Agency, United Kingdom 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:

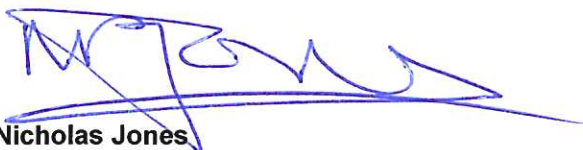
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 5 June 2018 and signed on its behalf by:



**Nicholas Jones**  
Chair of the Board of Trustees

# Maiden Erlegh Trust

## Independent Auditor's Report on the Financial Statements to the Members of Maiden Erlegh Trust

### Opinion

We have audited the financial statements of The Maiden Erlegh Trust (the 'academy trust') for the year ended 31 August 2017 which comprise the Statement of Financial Activities, incorporating an Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills 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 those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone, other than the academy trust and the academy trust's members as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion, the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2017, 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 Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

### Basis for opinion

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

### Conclusions relating to going concern

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

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy trust's ability to continue to adopt the going concern basis of

# **Maiden Erlegh Trust**

## **Independent Auditor's Report on the Financial Statements to the Members of Maiden Erlegh Trust- continued**

accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

### **Other information**

The other information comprises the information included in the trustees' annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the trustees' report (incorporating the strategic and the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

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

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

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

### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the academy trust 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, and for such internal control as the trustees determine

# Maiden Erlegh Trust

## Independent Auditor's Report on the Financial Statements to the Members of Maiden Erlegh Trust- continued

is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditors/audit-assurance/auditor-s-responsibilities-for-the-audit-of-the-fi/description-of-the-auditor%E2%80%99s-responsibilities-for>. This description forms part of our auditor's report.



**Alastair Duke (Senior Statutory Auditor)**  
**For and on behalf of PKF Littlejohn LLP**  
**Statutory Auditor**

1 Westferry Circus  
Canary Wharf  
London E14 4HD

11 December

2017

# **Maiden Erlegh Trust**

## **Independent Reporting Accountant's Assurance Report on Regularity to Maiden Erlegh Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 10 October 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Maiden Erlegh Trust during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Maiden Erlegh Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Maiden Erlegh Trust's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academies Financial Handbook, extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

# Maiden Erlegh Trust

## Independent Reporting Accountant's Assurance Report on Regularity to Maiden Erlegh Trust and the Education and Skills Funding Agency (continued)

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

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

The work undertaken to draw to our conclusion includes:

- a review of the conclusions reached on regularity and propriety in the prior years, including the actions taken in respect of points raised in the auditor's management letter;
- a review of minutes of meetings of the Governing Body and key sub-committees;
- checking a sample of expenditure transactions to ensure that they do not contravene the funding agreement and have authorised in accordance with the Academy's financial procedures and/or the Academies Financial Handbook;
- evaluating and documenting internal controls and testing their application by walkthrough.

### Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**PKF Littlejohn LLP**

Chartered Accountants

and Statutory Auditors

1 Westferry Circus

Canary Wharf

London E14 4HD



# Maiden Erlegh Trust

## Statement of Financial Activities

### for the year ended 31 August 2017

#### (including Income and Expenditure Account)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	<b>Total 2017 £000</b>	Total 2016 restated £000
<b>Income and endowments from:</b>						
Donations and capital grants	3	136	-	3,923	<b>4,059</b>	13,052
Transfer from local authority		-	-	4,200	<b>4,200</b>	-
Charitable activities:						
Funding for the academy trust's educational operations	4	-	11,791		<b>11,791</b>	10,716
Teaching Schools			157		<b>157</b>	184
Other trading activities	5	452	-	-	<b>452</b>	399
Investments	6	7	-	-	<b>7</b>	14
<b>Total</b>		<b>595</b>	<b>11,948</b>	<b>8,123</b>	<b>20,666</b>	<b>24,365</b>
<b>Expenditure on:</b>						
Raising funds	7	466	-	-	<b>466</b>	335
Charitable activities:						
Academy trust educational operations	8	-	13,558	1,626	<b>15,184</b>	11,069
Teaching Schools			124		<b>124</b>	182
<b>Total</b>		<b>466</b>	<b>13,682</b>	<b>1,626</b>	<b>15,774</b>	<b>11,586</b>
<b>Net income / (expenditure)</b>		<b>129</b>	<b>(1,734)</b>	<b>6,497</b>	<b>4,892</b>	<b>12,779</b>
<b>Other recognised gains / (losses):</b>						
Actuarial gains/(losses) on defined benefit pension schemes	17,26	-	1,046	-	<b>1,046</b>	(2,105)
<b>Net movement in funds</b>		<b>129</b>	<b>(688)</b>	<b>6,497</b>	<b>5,938</b>	<b>10,674</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,373	(5,582)	38,244	<b>34,035</b>	23,361
<b>Total funds carried forward</b>		<b>1,502</b>	<b>(6,270)</b>	<b>44,741</b>	<b>39,973</b>	<b>34,035</b>

All of the Academy's activities derive from continuing operations.

A separate Statement of Total recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

The Accounting Policies and Notes on pages 32-50 form part of these financial statements

# Maiden Erlegh Trust

## Balance Sheet

### as at 31 August 2017

Company Number 07548754

	Notes	2017 £000	2017 £000	2016 Restated £000	2016 Restated £000
<b>Fixed assets</b>					
Tangible assets	12		42,632		36,279
<b>Current assets</b>					
Debtors	13	295		2,883	
Cash at bank and in hand		3,559		2,441	
		<u>3,854</u>		<u>5,324</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	14	(953)		(2,685)	
<b>Net current assets</b>			<u>2,901</u>		<u>2,639</u>
<b>Total assets less current liabilities</b>			<u>45,533</u>		<u>38,918</u>
Creditors: Amounts falling due after more than one year	15		(129)		(90)
<b>Net assets excluding pension liability</b>			<u>45,404</u>		<u>38,828</u>
Defined benefit pension scheme liability	26		(5,431)		(4,793)
<b>Total net assets</b>			<u>39,973</u>		<u>34,035</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
. Fixed asset fund	16	44,741		38,244	
. Restricted income fund	16	(839)		(789)	
. Pension reserve	16	(5,431)		(4,793)	
<b>Total restricted funds</b>			<u>38,471</u>		<u>32,662</u>
<b>Unrestricted income funds</b>	16		<u>1,502</u>		<u>1,373</u>
<b>Total funds</b>			<u>39,973</u>		<u>34,035</u>

The financial statements and the Accounting Policies and Notes on pages 32 - 50 were approved by the trustees and authorised for issue on 5 December 2017 and are signed on their behalf by



**Nicholas Jones**  
Trustee

# Maiden Erleigh Trust

## Statement of Cash Flows

### For the year ended 31 August 2017

	Notes	2017 £000	2016 restated £000
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	20	4,630	73
<b>Cash flows from investing activities</b>	22	(3,553)	(260)
<b>Cash flows from financing activities</b>	23	41	-
<b>Change in cash and cash equivalents in the reporting period</b>		<u>1,118</u>	<u>(187)</u>
<b>Cash and cash equivalents at 1 September</b>		2,441	2,628
<b>Cash and cash equivalents at 31 August</b>	23	<u>3,559</u>	<u>2,441</u>

The Accounting Policies and Notes on pages 32 - 50 form part of these financial statements

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017

### 1 Statement of accounting policies

#### Basis of preparation

Maiden Erlegh Trust meets the definition of a public benefit entity under FRS 102.

#### 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 company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### Income

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

- **Grants**

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the 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.

- **Sponsorship Income**

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

- **Donations**

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

- **Other Income**

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

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

### 1 Statement of accounting policies (continued)

- **Donated goods, facilities and services**

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'. Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

### **Expenditure**

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

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

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

All resources expended are inclusive of irrecoverable VAT.

### **Tangible Fixed Assets**

Assets costing £1,500 or more are capitalised as tangible fixed assets and are carried at cost (less residual value), net of depreciation and any provision for impairment.

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

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

### 1 Statement of accounting policies (continued)

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

Buildings	- 2%
Long Leasehold Improvements	- 4%
Computer Equipment	- 25%
Furniture & Fittings	- 25%
Plant & Machinery	- 15%

Assets in the course of construction are included at cost. This includes those assets transferred from local authorities, not complete, at the cost recorded in the local authority's records. Depreciation on these assets is not charged until they are brought into use. Land is not depreciated.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable or where the remaining useful life is in excess of 50 years. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the SOFA.

#### Liabilities

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

#### Provisions

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

#### Leased Assets

Rentals under operating leases are charged on a straight line basis over the lease term.

#### Stock

The Academy does not hold material stock balances. Costs related to uniform and other potential stock items are expensed in the year in which they are purchased.

#### Taxation

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

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

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

### 1 Statement of accounting policies (continued)

#### Pensions Benefits

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

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 29, 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 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.

#### Fund Accounting

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

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

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

#### 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. 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 29, will impact the

# **Maiden Erlegh Trust**

## **Notes to the Financial Statements for the year ended 31 August 2017 (continued)**

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.

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

### 2 General Annual Grant (GAG)

Under a variation to the funding agreement with the Secretary of State dated 15 January 2013, the School may carry forward any unspent GAG from one year to the next, subject to any percentage restriction being set out in the Academies Financial Handbook or as specified by the Secretary of State in writing. No such restriction has been specified for the year ended 31 August 2017.

### 3 Donations and capital grants

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Capital grants	-	3,923	3,923	12,939
Other donations	136	-	136	112
	<u>136</u>	<u>3,923</u>	<u>4,059</u>	<u>13,051</u>
2016 Total	<u>112</u>	<u>12,939</u>	<u>-</u>	<u>13,051</u>

### 4 Funding for the Academy Trust's educational operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
<b>DfE / EFA grants</b>				
. General Annual Grant (GAG)	-	10,866	10,866	9,990
. Start Up Grant	-	-	-	184
. Other DfE/EFA grants	-	389	389	267
	<u>-</u>	<u>11,255</u>	<u>11,255</u>	<u>10,441</u>
<b>Other Government grants</b>				
. Local authority grants	-	157	157	179
. Special educational projects	-	-	-	-
	<u>-</u>	<u>157</u>	<u>157</u>	<u>179</u>
Other income from the academy trust's educational operations	-	378	378	280
	<u>-</u>	<u>11,791</u>	<u>11,791</u>	<u>10,900</u>
2016 Total	<u>-</u>	<u>10,900</u>	<u>-</u>	<u>10,900</u>

### 5 Other trading activities

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Hire of facilities	96	-	96	92
Catering income	317	-	317	262
Uniform sales in year	17	-	17	23
Community Arts income	22	-	22	22
	<u>452</u>	<u>-</u>	<u>452</u>	<u>399</u>
2016 Total	<u>399</u>	<u>-</u>	<u>-</u>	<u>399</u>

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

### 6 Investment income

	Unrestricted Funds £000	Restricted Funds £000	Total 2017 £000	Total 2016 £000
Short term deposits	7	-	7	14
	<u>7</u>	<u>-</u>	<u>7</u>	<u>14</u>
2016 Total	<u>14</u>	<u>-</u>	<u>-</u>	<u>14</u>

### 7 Expenditure

	Staff Costs £000	Non Pay Expenditure		Total 2017 £000	Total 2016 £000
		Premises £000	Other £000		
Expenditure on raising funds	395	-	71	466	335
Academy's educational operations:					
. Direct costs	8,738	-	528	9,266	8,060
. Allocated support costs	2,661	2,249	1,132	6,042	3,191
	<u>11,794</u>	<u>2,249</u>	<u>1,731</u>	<u>15,774</u>	<u>11,586</u>

Net income/(expenditure) for the period includes:

	2017 £000	2016 £000
Operating lease rentals	32	26
Depreciation	1,130	681
Fees payable to auditor for:		
- audit	14	14

Within the expenditure, there were none of the following transactions:

Compensation payments, Gifts made by the trust, Fixed asset losses, Stock losses, Unrecoverable debts, Cash losses or ex-gratia payments

### 8 Charitable activities

	Total 2017 £000	Total 2016 £000
Direct costs – educational operations	9,266	8,060
Support costs – educational operations	6,042	3,191
	<u>15,308</u>	<u>11,251</u>

### Analysis of support costs

	Boarding £000	Educational operations £000	Total 2017 £000	Total 2016 £000
Support staff costs	-	2,661	2,661	1,219
Depreciation	-	1,130	1,130	681
Technology costs	-	208	208	122
Premises costs	-	1,130	1,130	478
Other support costs	-	820	820	587
Governance costs	-	93	93	99
<b>Total support costs</b>	<u>-</u>	<u>6,042</u>	<u>6,042</u>	<u>3,191</u>

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

### 9 Staff

#### a. Staff costs

Staff costs during the period were:

	<b>Total 2017 £000</b>	<b>Total 2016 £000</b>
Wages and salaries	7,987	7,136
Social security costs	714	555
Operating costs of defined benefit pension schemes	2,891	1,119
	<b>11,581</b>	<b>8,811</b>
Supply staff costs	202	240
Staff restructuring costs	-	-
	<b>11,794</b>	<b>9,050</b>

#### b. Staff numbers

The average number of persons employed by the academy, expressed as full time equivalents during the period was as follows:

	<b>2017 No.</b>	<b>2016 No.</b>
Teachers	140	119
Administration and support	111	96
Management	8	10
	<b>259</b>	<b>225</b>

#### c. Higher paid staff

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

	<b>2017</b>	<b>2016</b>
£60,001 - £70,000	3	4
£70,001 - £80,000	-	1
£80,001 - £90,000	-	-
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£110,001- £120,000	-	-
£120,001- £130,000	-	-
£130,001- £140,000	-	1

#### d. Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £513,281 (2016: £587,932).

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

### 10 Related Party Transactions – 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 Executive Trustees only receive remuneration in respect of services they provide undertaking the roles as staff members under their contracts of employment.

The value of trustees' remuneration and other benefits was as follows:

#### **P Thomas (Chief Executive and Trustee to December 2016):**

Remuneration £20,000 - £30,000 (2016: £110,000 - £120,000)

Employer's pension contributions paid £0 (2015: £0)

#### **J Dennis (Business Manager and Trustee to April 2017):**

Remuneration £40,000 - £50,000 (2016: £65,000 - £70,000)

Employer's pension contributions paid £5,000 - £10,000 (2016: £10,000 - £15,000)

#### **M Davies (Executive Headteacher and Trustee from January 2017):**

Remuneration: £60,000 - £70,000 from January 2017 (2016: £nil)

Employer's pension contributions paid £10,000 - £15,000 (2016: £nil)

#### **J Peck (Director of Finance and Operations and Trustee from March 2017):**

Remuneration: £30,000 - £40,000 from March 2017 (2016: £nil)

Employer's pension contributions paid £5,000 - £10,000 (2016: £nil)

During the period ended 31 August 2017, travel and subsistence expenses totalling £1,031 were reimbursed or paid directly to 4 trustees (2016: £171 to 2 trustees).

### 11 Trustees and officers insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. In accordance with normal commercial practice, the Academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. From April 2015, the Trust joined the Department for Education's Risk Protection Arrangement (RPA) as an alternative to insurance through which the cost of risks that materialise will be covered by government funds. These arrangements provide governors liability cover up to £5,000,000 for each and every loss and unlimited professional indemnity other than libel and slander which is limited to £500,000 for each and every loss. The cost of the RPA is included in the total insurance cost.

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

### 12 Tangible fixed assets

	Leasehold Land & Bldgs £'000	Long Lease Improvements £'000	Assets in course of construction £'000	Furniture & Fittings £'000	Computer Equipment £'000	Plant & Machinery £'000	Total £'000
<b>Cost</b>							
At 1 September 2016	22,697	1,735	14,437	7	373	514	39,763
Additions	2,481	305	4,200	51	441	5	7,483
Transfers	13,823	614	(14,437)	-	-	-	-
	<u>39,001</u>	<u>2,654</u>	<u>4,200</u>	<u>58</u>	<u>814</u>	<u>519</u>	<u>47,246</u>
<b>Depreciation</b>							
At 1 September 2016	2,940	204	-	7	168	165	3,484
Charged in year	743	106	-	13	191	77	1,130
At 31 August 2017	<u>3,683</u>	<u>310</u>	<u>-</u>	<u>20</u>	<u>359</u>	<u>242</u>	<u>4,614</u>
<b>Net Book Value</b>							
At 31 August 2017	<u>35,318</u>	<u>2,344</u>	<u>4,200</u>	<u>38</u>	<u>455</u>	<u>277</u>	<u>42,632</u>
At 31 August 2016	<u>19,757</u>	<u>1,531</u>	<u>14,437</u>	<u>-</u>	<u>205</u>	<u>349</u>	<u>36,279</u>

The trust's transactions relating to land and buildings included:

- the granting of a leasehold on the Great Hollands Primary School site for a peppercorn rent over a term of 125 years.
- Leasehold improvements and construction at Maiden Erlegh School in Reading included at cost within assets under construction. The asset will be valued in full once complete, in January 2018, with the movement reflected at that point.

### 13 Debtors

	2017 £000	2016 £000
Trade debtors	11	9
VAT recoverable	129	1,312
Other debtors	1	-
Prepayments and accrued income	154	1,563
	<u>295</u>	<u>2,883</u>

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

### 14 Creditors: amounts falling due within one year

	2017 £000	2016 £000
Trade creditors	239	127
Other taxation and social security	184	168
EFA creditor: abatement of GAG	-	20
Other creditors	228	140
Accruals and deferred income	270	2,208
Loan	32	22
	<b>953</b>	<b>2,685</b>

### 15 Creditors: amounts falling due in greater than one year

	2017 £000	2016 £000
Other creditors	129	90
	<b>129</b>	<b>90</b>

	Less than one year £000	More than one year £000
Salix Loan – Boiler & Heating System Replacement	15	75
Salix Loan – Boiler & Heating System Replacement	3	28
CIF Loan – Roofing Project	10	18
Salix Loan – LED Lighting upgrade	4	8
	<b>32</b>	<b>129</b>

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

### 16 Funds

	Balance at 1 September 2016 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Balance at 31 August 2017 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	670	10,866	(11,152)	-	384
Pupil Premium	33	226	(206)	-	53
Other grants	(1,492)	856	(639)	-	(1,275)
Pension reserve	(4,793)	-	(1,684)	1,046	(5,431)
	<b>(5,582)</b>	<b>11,948</b>	<b>(13,682)</b>	<b>1,046</b>	<b>(6,270)</b>
<b>Restricted fixed asset funds</b>					
Transfer on conversion	22,054	4,200	-	-	26,254
DfE/EFA capital grants	14,850	3,923	(1,626)	-	17,147
Capital expenditure from GAG	1,340	-	-	-	1,340
	<b>38,244</b>	<b>8,123</b>	<b>(1,626)</b>	<b>-</b>	<b>44,741</b>
<b>Total restricted funds</b>	<b>32,662</b>	<b>20,071</b>	<b>(15,308)</b>	<b>1,046</b>	<b>38,471</b>
<b>Total unrestricted funds</b>	<b>1,373</b>	<b>595</b>	<b>(466)</b>	<b>-</b>	<b>1,502</b>
<b>Total funds</b>	<b>34,035</b>	<b>20,666</b>	<b>(15,774)</b>	<b>1,046</b>	<b>39,973</b>

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

The balance on restricted general funds plus the balance on unrestricted funds shows a net surplus of £663k.

### Total funds analysis by academy

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £000	Total 2016 £000
Maiden Erlegh School	38	309
Maiden Erlegh School in Reading	612	268
Great Hollands Primary School	(5)	-
Central services	18	7
Total before fixed assets and pension reserve	<b>663</b>	<b>584</b>
Restricted fixed asset fund	<b>44,741</b>	38,244
Pension reserve	<b>(5,431)</b>	(4,793)
<b>Total</b>	<b>39,973</b>	<b>34,035</b>

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

### Total cost analysis by academy

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

	Teaching and Educational Support Staff Costs £000	Other Support Staff Costs £000	Educational Supplies £000	Other Costs (excluding Depreciation) £000	Total 2017 £000	Total 2016 £000
Maiden Erlegh School	7,128	1,092	207	1,773	10,200	11,513
Maiden Erlegh School in Reading Great Hollands Primary School	1,395	49	100	370	1,914	1,133
	222	37	16	32	307	0
Central services	20	167	-	36	223	101
<b>Academy Trust</b>	<b>8,765</b>	<b>1,345</b>	<b>323</b>	<b>2,211</b>	<b>12,644</b>	<b>12,747</b>

### 17 Analysis of net assets between funds

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	42,632	42,632
Current assets	1,502	243	2,109	3,854
Current liabilities	-	(953)	-	(953)
Non-current liabilities	-	(129)	-	(129)
Pension scheme liability	-	(5,431)	-	(5,431)
<b>Total net assets</b>	<b>1,502</b>	<b>(6,259)</b>	<b>44,741</b>	<b>39,973</b>

### 18 Capital commitments

	2017 £000	2016 £000
Contracted for, but not provided in the financial statements	-	4,000

The Trust has, at 31 August 2017, no capital commitments.

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

### 19 Commitments under operating leases

#### Operating leases

At 31 August 2017 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £000	2016 £000
Amounts due within one year	5	20
Amounts due between one and five years	18	32
Amounts due after five years	61	62
	<u>84</u>	<u>114</u>

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

	2017 £000	2016 £000
Net income for the reporting period (as per the statement of financial activities)	4,892	12,779
Adjusted for:		
Depreciation [note 12]	1,130	681
Capital grants from DfE and other capital income	(3,923)	(12,939)
Interest receivable [note 6]	(7)	(14)
Defined benefit pension scheme obligation inherited	-	-
Defined benefit pension scheme finance cost [note 29]	1,684	73
(Increase) in debtors	2,589	(2,450)
Increase in creditors	(1,735)	1,943
<b>Net cash provided by / (used in) Operating Activities</b>	<u>4,630</u>	<u>73</u>

### 21 Cash flows from financing activities

	2017 £000	2016 £000
Repayments of borrowing	(15)	-
Cash inflows from new borrowing	56	-
<b>Net cash provided by financing activities</b>	<u>41</u>	<u>-</u>

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

### 22 Cash flows from investing activities

	2017 £000	2016 £000
Dividends, interest and rents from investments	7	14
Purchase of tangible fixed assets	(7,483)	(13,318)
Capital grants from DfE/EFA	3,923	12,939
Capital funding received from sponsors and others	-	105
<b>Net cash provided by / (used in) investing activities</b>	<b>(3,553)</b>	<b>(260)</b>

### 23 Analysis of cash and cash equivalents

	At 31 August 2017 £000	At 31 August 2016 £000
Cash in hand and at bank	3,559	2,441
Loan	-	-
<b>Total cash and cash equivalents</b>	<b>3,559</b>	<b>2,441</b>

### 24 Contingent liabilities

There were no contingent liabilities as at 31 August 2017 or 2016.

### 25 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.

### 26 Pension and similar obligations

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2016.

Contributions amounting to £170,370 were payable to the schemes at 31 August 2017 (2016: £140,798) and are included within creditors.

### 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.

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

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

### Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £874,395 (2016: £776,077).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

### Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £423,000 (2016: £378,000), of which employer's contributions totalled £307,000 (2016: £273,000) and employees' contributions totalled £116,000 (2016: £105,000). The agreed contribution rates for future years are 17.6 per cent for employers and between 5.5 per cent and 12.5 per cent for employees, or a 50:50 option of 2.5-6.35 per cent, both banded according to salary. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy closure, outstanding

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal actuarial assumptions	At 31 August 2017	At 31 August 2016
Rate of increase in salaries	4.2%	4.1%
Rate of increase for pensions in payment/inflation	2.7%	2.3%
Discount rate for scheme liabilities	2.6%	2.2%
Inflation assumption (CPI)	2.7%	2.3%
Commutation of pensions to lump sums	50.0%	50.0%

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

	At 31 August 2017	At 31 August 2016
<i>Retiring today</i>		
Males	23.0	22.9
Females	25.1	26.2
<i>Retiring in 20 years</i>		
Males	25.2	25.2
Females	27.4	28.5

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

	Fair value at 31 August 2017 £000	Fair value at 31 August 2016 £000
Equity instruments	1,668	1,346
Debt instruments	1,396	1,187
Property	459	357
<b>Total market value of assets</b>	<b>3,523</b>	<b>2,890</b>

The actual return on scheme assets was £242,000 (2016: £297,000)

### Amount recognised in the statement of financial activities

	2017 £000	2016 £000
Current service cost (net of employee contributions)	1,422	439
Net interest cost	108	101
Admin expenses	3	2
<b>Total operating charge</b>	<b>1,533</b>	<b>542</b>

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

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

	2017 £000	2016 £000
<b>At 1 September</b>	<b>7,833</b>	4,906
Current service cost	706	439
Interest cost	177	197
Employee contributions	116	105
Actuarial (gain)/loss	682	2,195
Benefits paid	(63)	(26)
Plan introductions, benefit changes, curtailments and settlements	(497)	17
<b>At 31 August</b>	<b>8,954</b>	7,833

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

	2017 £000	2016 £000
<b>At 1 September</b>	<b>2,890</b>	2,225
Interest income	69	96
Return on plan assets (excluding net interest on the net defined pension liability)	173	201
Actuarial gain/(loss)	(297)	18
Administrative expenses	(3)	(2)
Employer contributions	307	273
Employee contributions	116	105
Benefits paid	(63)	(26)
Settlements received (paid)	331	-
<b>At 31 August</b>	<b>3,523</b>	2,890

### 27 Related party transactions

Owing to the nature of the academy trust 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 trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 10.

### 28 Events after the end of the reporting period

There have been no events after the end of the reporting period relevant to the financial statements.

### 29 Agency arrangements

The academy trust distributes 16-19 Bursary funds to students as an agent for ESFA. In the accounting period ending 31 August 2017 the trust received £20k and disbursed £19k from the fund to students and

# Maiden Erlegh Trust

## Notes to the Financial Statements for the year ended 31 August 2017 (continued)

retained £1K for administrative costs. Institutions are permitted to use up to 5% of the single allocation for administrative costs.

### 30 Central Services

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

A contribution to the costs of:

- Executive Headteacher
- Director of Finance and Operations
- Human Resources
- Financial services
- Governance services
- Legal services
- HR services

In the year ended 31 August 2017 the Trust charged for these services on the following basis:

- 2% charge to Maiden Erlegh School and 4% to Maiden Erlegh School in Reading

The actual amounts charged during the year were as follows:

	2017 £000	2016 £000
Maiden Erlegh School	173	88
Maiden Erlegh School in Reading	37	19
	<u>210</u>	<u>107</u>

Great Hollands Primary School did not receive a service, and were therefore not charged for any central costs for the year ended 31 August 2017.

### 30 Prior year adjustment

In the prior year an amount of £1.8m was incorrectly accounted for as an item of expenditure when it related to capital costs. As a result, net income for the year ended 31 August 2016 was understated by £1.8m and tangible fixed assets understated by £1.8m. The previously reported results have been adjusted in these financial statements to reflect the correction.