

Registered number: 07982312

THE WENSUM TRUST

TRUSTEES REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

THE WENSUM TRUST
(A Company Limited by Guarantee)

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

Members	Maria Piper Thomas Bailey Chloe Smith		
Trustees	Gerard J Batty, Head Teacher Mary E Richards Roger Payne (deceased 18 September 2015) David R Bowman (resigned 14 March 2016) David P Armstrong (resigned 2 September 2015) Joanna L Storey (resigned 19 February 2016) Helen Wardale, Vice Chair (resigned 13 March 2016) Kingsley Avenell (resigned 14 March 2016) Antony J Crush (resigned 14 March 2016) Edwin Richard Pearson (resigned 26 January 2016, reappointed 20 June 2016) Stephen Roberts (resigned 13 March 2016) Patrick William Gorman (appointed 9 November 2015) Neil Aylott (appointed 12 April 2016) John David Smith, Chair (appointed 12 April 2016) Carolyn Baxter (appointed 12 April 2016) Gareth Edward Lamb (appointed 12 April 2016) Daniel Thrower (appointed 12 April 2016) Victoria English (appointed 1 September 2015, resigned 13 March 2016)		
Company registered number	07982312		
Company name	The Wensum Trust (previous name Hellesdon High School until 26 February 2016)		
Principal and registered office	Middletons Lane Hellesdon Norwich Norfolk NR6 5SB		
Company secretary	Linda C Mortimer		
Chief executive officer	Gerard J Batty		
Senior management team		Hellesdon High School to Feb 2016	The Wensum Trust from Feb 2016
	G Batty, CEO	✓	✓
	A Wang	✓	
	C Cowan	✓	
	M Earl T	✓	
	Rolfe S	✓	
	Jones	✓	
	R Taylor	✓	
	A McLellan	✓	
	C Everard	✓	✓
	L Mortimer	✓	✓
Independent auditors	Price Bailey LLP Chartered Accountants 20 Central Avenue St Andrews Business Park Thorpe St Andrew Norwich Norfolk NR7 0HR		

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
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Advisers (continued)

Bankers	Lloyds Bank Plc Norwich Norfolk
Solicitors	Eversheds LLP Ketts House Station Road Cambridge CB1 2JY

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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees present their Annual Report together with the financial statements and Auditor's Report of The Wensum Trust (The Trust or the Charitable Company) for the year ended 31 August 2016. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under company law.

The Wensum Trust formed in February 2016 from Hellesdon High School, which remained the only school in the Multi Academy Trust until September 2016.

The Financial Statements and accounts for Hellesdon High School relate to the period 1 September 2015 to 15 February 2016 and from this point until the 31 August 2016 the reports encompass Hellesdon High School as part of The Wensum Trust.

The Wensum Trust recognises that to operate effectively, efficiently, recognising and mitigating risk there are a number of key management areas to strengthen. These are likely to include:

Trustee Recruitment – the Trust will recruit further Trustees to broaden and strengthen the existing skill set of the board.
Financial Robustness – accurate budgeting and financial reporting over a 3-year timescale taking into account an increasing number of academies.

Risk Management – ensuring that robust systems are in place to allow the Trust to be proactive in its attitude to managing risk.

Business Continuity – ensuring there are Trust wide plans in place to provide a continuity of education across the age range in the event of any unexpected threat.

Achieving Best Value – The Central Services team has been formed to deliver services in Budgeting & Finance, HR & Payroll, External Audit, ICT provision, Data Assessment, Estates Management and Strategic & Operational Development.
Growth Plan – ensuring that the Trust has adequate Central Services staffing in place to ensure it can provide high quality services to all academies within the Trust.

Reporting Structures – are in place and allows for information to be fed from the Local Governing Body to the Operations Board via Heads of School. The CEO then provides reports to the sub committees of the Board of Trustees.

Policies and Procedures – the majority of policies will be trust wide. However, the Trust recognises that some will be school and key stage specific.

Programme of Self-Review – the Trust will measure its achievements by agreed Key Performance Indicators against the Year 1 Critical Success Factors Action Plan. Progress will be reviewed and areas for improvement, identified with an action plan in place to ensure KPIs are met at the time of the next review.

Implementation of Annual Business Planner – this has been written in line with key dates in mind. These include financial deadlines as noted by the Academies Financial Handbook, DfE/EFA financial deadlines and Companies House submission dates.

Structure, governance and management

CONSTITUTION

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are its primary governing documents. The Trustees of The Charitable Company are also the Directors for the purposes of company law. The terms Trustee and Director are interchangeable.

The operation of The Trust's Academies and employment of staff are the responsibility of the Trustees. The Trust retains control of Academy budgets and finances, and monitors these through its Finance, Infrastructure, HR & Audit Committee. Throughout this report the Board of Trustees is referred to as the Board of Trustees. Each Academy has appointed Local Governing Bodies (LGB) who have delegated authority to administer their Academy within agreed budgets.

Details of the Trustees who served throughout the period are included in the Reference and Administrative Details section. Within this Report the term Trustee refers to a member of the Board of Trustees and the term Governor to a member of an LGB. Details of the Trustees who served during the year are included in the Reference and Administrative Details section.

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

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.

TRUSTEE AND OFFICERS' INDEMNITIES

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The DfE Risk Protection Arrangement insurance provides cover up to £10,000,000 on any one claim, however this is an aggregated total over the period of one year. Details of the costs are disclosed in Note 12 to the accounts.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

Members of the Trust are able to co-opt additional Members. Members are appointed by special resolution.

The Chairman can be elected from the Members of the Board of Trustees by ordinary resolution, this cannot be a governor.

The appointment of Trustees will focus on the recruitment of people with the right skills who can contribute to the Board. The Clerk to Trustees will undertake a skills audit and the findings are reported to the full Board for approval. The last skills audit was conducted on the 8 June 2016.

The arrangements are as set out in the Articles and Funding Agreement.

Trustees are appointed for a fixed term. The Chief Executive Officer (CEO) is an ex officio member of the Board of Trustees. Other Trustees are elected to office or appointed if there are insufficient candidates offering themselves for election. The Articles of Association make provision for 9 Trustees plus a minimum of 2 Parent Trustees elected or appointed under Articles 53-56B. In the absence of 2 Parent Trustees on the Board, it is in order for their presence at Local Governing Body level.

The Members may appoint by ordinary resolution up to 10 Trustees.

The total number of Trustees who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The Trust subscribes to the Training and Development Programme for Governance and Leadership offered by Educator Solutions, a trading arm of Norfolk County Council. Educator Solutions have considerable experience and knowledge in Trustee training and also have a thorough working knowledge of effective MATs currently operating in Norfolk. Training offered by other providers is also reviewed.

The Trust is committed to providing opportunities for Trustees and Governors to undertake and receive suitable training so as to enable them to perform their role effectively. New Trustees and Governors are required to attend a training programme. The induction programme would involve a tour of the relevant Academy, meetings with students and staff and provision of policy and procedures documents that are appropriate to the role they undertake with particular emphasis on the committee work that they will undertake. Additional training is identified by the individuals and by an annual Skills audit and records of any training undertaken is kept in a training log.

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

PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The Wensum Trust operates a Central Service Team comprising of budget & finance, premises, data management, HR personnel and strategy management. The Central Service Team is managed by the CEO and undertakes key management functions. Trustees have delegated significant management responsibility in the day to day operational running of the Trust, to this Team.

The Financial Authority and Business Procedures document delegates responsibility from the Chief Executive Officer to the Chief Financial Officer for management of The Wensum Trust budget, finance, reporting and compliance with audit requirements, with special reference to the requirements of Charity and Company accounting regulations in accordance with the Academies Financial Handbook.

Pay and remuneration of key management personnel is decided by a variety of contributory factors, such as the Academy group size, ISR, the pay scales for each role and the level of experience of each staff member. In addition, pay levels may be affected by nationally agreed pay awards, the ability to recruit and retain in post, all of which are in accordance with the Trust's appointment and pay policies.

All amendments to CEO and his direct reports are approved at Board level. Other members of the senior leadership of each Academy will be overseen by the appropriate level by the CEO/Finance, Strategy, HR & Audit Committee.

In addition, a single Academy will have a Senior Leadership Team, comprising of Head of School and Assistant Heads of School. The Academy SLT is managed by the Head of School and the Head of School is managed by the CEO. The individual Academy's scheme of delegation will be observed and will be in accordance to the Academy's current Ofsted rating.

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

ORGANISATIONAL STRUCTURE

The governance of the Trust is defined in the Memorandum and Articles of Association together with the Funding Agreement with the Department of Education.

The Board of Trustees, meets on at least 6 occasions per year and its 2 sub committees, Standards and Achievements and Finance, Strategy, HR & Audit meet at least 6 times per year.

The Chief Executive Officer is the Trust Accounting Officer.

The Board of Trustees are responsible for adopting an agreed annual budget plan. This includes a 3-year budget projection as well as details of the individual financial performance of each academy within the Trust. This information allows the Board of Trustees to make major decisions about the direction of the Trust, capital expenditure and senior staff appointments. The Board of Trustees will note the level of top slice charged to each academy within the Trust and any decision to move away from this agreed percentage, requires Board agreement. Trust Year 1 savings have been identified, are being monitored, and progress will be reported to the Board regularly. Details of applications to be made to the Capital Infrastructure Fund are also shared with the Board detailing any capital commitment that will be expected from the Trust to enable a successful outcome. Formulaic Capital funding is triggered once the Trust comprises of 5 academies and 3000 students. This is likely to be the case in the Spring/Summer Term 2017, which will mean that the Trust will receive formulaic Capital funding in the financial year 2017/2018. The Board of Trustees will be responsible for deciding a fair and equitable method of distributing these funds across the academies within the Trust.

The Finance, Strategy, HR & Audit committee receive revisions to the budget with detailed explanations for adjustments to the budget. Areas for cost savings are highlighted and methodology on how these will be achieved will be shared with this committee.

The Local Governing Bodies (LGB) of academies within the MAT are responsible for adhering to the individual academy's scheme of delegation. They are responsible for implementing strategic policy, agreed with the Trust, ensuring the appropriateness of annual budgets and capital expenditure projects for the Academy and monitoring performance against that budget and authorised capital limits.

The Senior Leadership Team (SLT) of each Academy control the Academy at an executive level implementing policies and reporting to the LGB. Each SLT is responsible for the day to day operation of their Academy. The SLT can manage the Academy, and in accordance to their individual scheme of delegation, can organise staffing, budgets and resources. They are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment processes.

The degree of autonomy the Academy has within their scheme of delegation will depend on their current Ofsted rating. A robust reporting and monitoring structure exists to overview both operational and strategic progress of all Academies within the Trust.

The CEO and Heads of each Academy meet every fortnight as an Operational Board and look across the Trust to align local SLT and LGB activity with the strategic aims of the Trust as a whole.

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

CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Owing to the nature of the Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, it is inevitable that from time to time transactions will take place with organisations in which members of the Board of Trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procedures. Any transaction where the Trustee may have a pecuniary interest is only undertaken in accordance with the 'at cost' principle described in the Academies Financial Handbook.

The Trust cooperated with the following organisations during the academic year in pursuit of its charitable activities:

- The Theatre Royal Norwich
- The DfE/EFA
- Acle Academy
- Taverham High School
- Norfolk County Council (including Educator Solutions)
- The Evolution Trust

The Trust does not have a formal sponsor.

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

OBJECTIVES AND ACTIVITIES

OBJECTS AND AIMS

The principal aim of the Charitable Company has been to provide free education and care for students of different abilities within its local community between the ages of 11 and 18. This age range will change, effectively from Autumn Term 2016, as more academies join the MAT and the vision is to provide free education and care for students from the age of 4 to 18 years.

The 2016 / 2019 Wensum Trust Strategic Aims are set out below:

1. Core Strategic Aim: Lead, Influence and Engage

To be in the vanguard of developing a staff and student leadership model. By September, 2018 staff and students will be actively engaged and empowered and developing actions and modelling behaviours which achieve our strategic aims and our leaders will:

- Influence Local & National initiatives and strategies
 - Model our values and associated behaviours
 - Keep our strategic aims at their heart
 - Motivate and inspire
 - Innovate, engage and lead
 - Reflect
 - Develop their terms and the individuals within
 - Empower others
 - Secure accountability but give the tools to succeed
- 2 By December 2017, we will be in the cadre of 300 Academy Advocates promoted by the National Schools Commissioner.
- 3 By September 2019, The Wensum Trust will be recognised locally and nationally as a top performing MAT and our organisational effectiveness will be seen as a key driver for new schools wishing to join the Trust.

2. Core Strategic Aim: Inspire, Motivate and Transform

- 1 We will exploit our scale and wealth of experience and transform by September 2018 how Nursery to 18 education is delivered across the trust resulting in excellent progress that consistently out performs national and seamless provision of a curriculum that offers breadth, excitement and enable every child to achieve their full potential. Seamless provision will be ensured by;
- Knowing each and every child as an individual
 - Knowing the family context of each child
 - Assessment that is linked up and informs provision
 - Knowing the hopes and aspirations of each child as they move through the Trust
 - Accurate data transfer from one school to the next
 - Extra transition meetings for any child with special needs or a disability
 - Cross phase projects
 - Parents are engaged, knowledgeable, motivated about their child's learning and their role in this
 - Schools work together and view the provision they provide as part of the overall Nursery to 18 education delivered across the trust
 - No in school transitions or school to school transitions which result in any child's progress rates to drop.
- 2 Our inspirational initiatives helping staff and students discover their greater potential will result in all schools in the Trust being at least good and moving towards outstanding by September 2018. CPD programme for all staff will help ensure low staff turnover (no more than 10%) and we will develop opportunities for staff progression within trust schools.
- 3 By December 2016, a unique set of opportunities within each phase will be provided which will enrich our children's lives now and in the future. This will transform the life opportunities for children and their families on the margins of our community.

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

3. Core Strategic Aim: Innovate, Collaborate and Build

- 1 We will operate a sustainable growth model and by October 2016, we aim to have 4 schools (Hellesdon High, Acle Academy, Firside Junior and Arden Grove - 2,400 pupils) in the Trust. By January 2017, we aim to have 6 schools (Hellesdon High, Acle Academy, Firside Junior, Arden Grove Garrick Green and Lodge Lane - 2,800 pupils) in the Trust and by March 2017, we aim to have 9 schools (Hellesdon High, Acle Academy, Firside Junior, Arden Grove Garrick Green, Lodge Lane, Heather Avenue and other local schools - 3,360 pupils) in the Trust. We envisage each Secondary school will be the focus of 'a hub' where we will work in partnership with all the primary phase schools to promote a seamless provision of a curriculum that offers breadth, excitement and enable every child to achieve their full potential.
- 2 We will actively seek to work with the DfE and other external organisations on new projects both in Norfolk and beyond. We will actively seek to work with other MATS utilising each other's particular skills.
- 3 By September 2018, deliver outstanding business support which underpins and enables; we will offer value for money without compromising on quality or delivery. In achieving our strategic aim, staff must be enabled to focus on being the best they can possibly be – this includes being provided with the best learning environment and resources. For schools rated 3 or less we will build in essential curriculum and admin support through the provision of guidance and resources that will enable a school to make rapid improvement.
- 4 In January 2017 when we have 6 schools (2,800 pupils) in the Trust, there is forecast to be a visible instant cost saving of circa £43,000 for all centralised services (Audit fees, Finance, H.R. and Payroll). This cost saving will increase proportionally to the number of schools in the trust.

Money saved will be released to embrace new initiatives/directions that we can see beginning to emerge both nationally and internationally.

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

OBJECTIVES, STRATEGIES AND ACTIVITIES

Objectives, Strategies and Activities – The Wensum Trust

The Wensum Trust started on the 26 February 2016 and in the 6 months up to the date of this report, the following objectives were achieved:

- CEO has provided Executive Headship to Acle Academy
- Leadership and other management support provided to Acle Academy
- Created a Central Services Team
- Created a service promise available to all Academies joining the Trust
- Created all key documents
- Created a new website
- Agreed a strategic and objective growth plan
- Drafted and implemented Trust policies and single Academy policies

Objectives, Strategies and Activities – Hellesdon High School

During the reporting period Hellesdon High School was the single Academy in the newly formed multi-academy trust, known as The Wensum Trust and its objectives are highlighted below:

Objectives

To ensure that every child enjoys the same high quality education in terms of resourcing, teaching and care;

To raise the standard of educational achievement of all students, across all key stages;

To ensure students and staff learn and work in a safe and well maintained environment;

To minimise the School's impact on the environment and increase awareness of environmental issues amongst students and staff;

To provide value for money for the funds expended;

To comply with all appropriate statutory and curriculum requirements; and

To conduct the School's business in accordance with highest standards of integrity, probity and openness.

Strategies and Activities

The School's main strategy is encompassed in its Aims which are:

- Every member of the school community to have no barriers to opportunity, achievement, success or enjoyment
- Every student to feel valued for who they are, so they can grow and flourish into confident, successful adults
- All our families to feel valued and their diversity recognised and celebrated
- Our wider community benefits from the work of the school, building on the values of community cohesion

To this end the activities provided include:

- teaching and learning opportunities for all students to attain appropriate academic qualifications and to develop socially and morally;
- review and development of the curriculum in line with Government strategies and the needs of students;
- a restructured tutor system from Year 9 introducing individual mentoring to review the progress, attendance, behaviour and welfare of each student in regular meetings with a named member of staff;
- intervention strategies in relation to attainment, behaviour, attendance and bullying through suitable identification, rewards and sanctions;
- strategies to assess, review and improve lesson delivery, marking and student assessment through lesson observation, self-evaluation, training and identification of best practice;
- training opportunities for all staff, and especially teaching staff;
- a programme of sporting and after school leisure activities for all students;
- a system of after school clubs to allow students to explore the environment, science, technology, music and drama in practical and project oriented ways;
- a careers advisory service to help students obtain employment or move on to higher education;

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FOR THE YEAR ENDED 31 AUGUST 2016

- working in partnership with feeder schools and the Hellesdon Cluster to develop a coherent and coordinated programme of activities and facilitate the transition to Key Stage 3;
- monitoring and maintenance of a safe and secure environment, including a system of risk assessment review and incident analysis and;
- environmental objectives and targets set and reviewed annually.

In Academic Year 2015 / 2016 the Academy achieved the following:

- Year 11 achieved 68% A* - C in English and Maths
- Year 11 achieved 0.11 Progress 8 Score (new measure)
- Year 13 achieved 83% A*-C
- Year 13 achieved ALPS Score 3, which is in the top 25% nationally

Our success in fulfilling our aims can be measured by:

- Academic progress for students in Year 11 and Year 13
- Students able to access a broad curriculum including vocational subjects
- Success of student applications to apprenticeship schemes
- Positive feedback from students re mentoring system
- Reported decrease in behaviour marks and increase in rewards, attendance targets met
- Training tailored to staff requirements
- Appointment of Assistant Headteacher with responsibility for Behaviour and Safety
- New CPD plan with different teaching and learning strands proposed for 2016/17
- Student uptake increased for after school clubs and participation in the Arts
- Enhanced transition programme for cluster schools, working to agreed action plan
- Safe, secure environment for all staff and students with effective risk assessment system embedded
- Eco Green Flag status maintained

PUBLIC BENEFIT

The Trustees believe that by working towards the objects and aims of the Trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

The Trust continues to support the partner school in India through provision of support and staff visits, as appropriate.

STRATEGIC REPORT

Achievements and performance

The key focus during the reporting period was to establish the multi-academy trust with the aims, as mentioned above, with Hellesdon High School continuing its mission to ensure that students achieved their potential in public examinations; encouraged a wide range of extra-curricular activities; developed and retained suitable staff and guided students in suitable progression when they left their Academy.

Specific achievements were as follows:

- Year 11 students posted highest rates of progress than any previous year group
- 21% of Year 11 students qualified for the English Baccalaureate combination of subjects
- The Trust Sixth Form has continued to perform in the top 25% of all schools nationally
- Successful implementation of Central Services Team and securing value for money and savings on essential services
- Developing expertise at leadership levels across the Trust through sharing of good practice, mentoring and coaching
- Set foundations for to enable successful additional academies to join the Trust

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.

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TRUSTEES' REPORT (continued)
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KEY FINANCIAL PERFORMANCE INDICATORS

Hellesdon High School's LGB receive regular information at each committee meeting to enable them to monitor the performance of the Trust compared to aims, strategies and financial budgets.

The reporting procedures have evolved as the multi-academy trust has been formed. A Central Services Team has been formed to look across all schools in the Trust. In the reporting period the following were achieved:

Key Financial Performance Indicators delivered by the Central Services Team include

- Maintaining a 3-year MAT balanced budget
- Achieving value for money in the delivery of Central Services, including Site, Financial and HR Personnel management
- Maintaining adequate staffing levels to meet requirements of individual school timetables
- Maintaining staffing levels to ensure adequate provision for SEND students
- Maintaining a 3-year budget to include the priorities as set in the individual School Improvement Development Plan
- Continuation of successful initiatives to enable increased student achievement
- Capital Investment in development the infrastructure to provide enhance curriculum opportunities
- Increased achievement attributable to maintaining effective student teacher ratio
- Ensuring retention of staff and value for money in CPD training.

As funding is based on pupil numbers this is a key performance indicator. Total pupil numbers for 2016 were 1349 (as at 26.5.16) against a forecast of 1315, as factored in Revision 3 of the 2014/15 budget.

Another key financial performance indicator is staffing costs as a percentage of total income, for 2015/16 this was 80.2%. The Trustees are confident that staffing levels are closely monitored to agreed Full Time Equivalents and staffing structures all approved by the Board of Trustees.

The Finance, Strategy, HR and Audit Committee receives monitoring reports detailing staffing costs, premises costs, energy costs and curriculum department expenditure, to ensure that the budget is set and managed appropriately. A detailed calculation has been undertaken to establish the actual cost of operating the Sixth Form. This allows the Committee to see how much the main school budget is supporting the Sixth Form and also provides evidence to the Leadership Team that a more cost effective teaching model is required for Sixth Form.

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REVIEW OF ACTIVITIES

Up until the end of the reporting period Hellesdon High School was the only school operating within The Wensum Trust.

In academic year 2016/17 the Trustees report will include the performance data of the other Academies within the Trust. This information will be presented as 'summary on a page' SOAP and will give a clear indication of how each Academy has performed since converting to the Trust.

Hellesdon High School Students on Roll – End of Academic Year

2014 / 15	1292
2015 / 16	1331

Key Stage 4	Actual	Target
A* - C in English and Maths	68%	80% Aspirational target
EBacc subject combination	21%	
Progress 8 Measure	0.11	0.25 original target, please note that benchmark was changed on release of results and prior to this Actual was 0.26

Year 11 achieved more progress than any previous year group to date.

Key Stage 5	Actual	Target
Average Point Score per Student	796	800
Average Point Score per Entry	216	225

Results in Sixth Form in summer 2016 were 83% achieving A* - C, securing a place in the top 25% of sixth forms throughout the country. Retention rate for sixth form was published at 95%.

Hellesdon High School - Attendance Targets and Results

Academic Year	Target (%)	Actual (%)	Target (%)	Actual (%)
	(Attendance)	(Attendance)	(Persistent Absence)	(Persistent Absence)
2015/16	96	95	5.0 (85%)	4.75% (90%)
2014/15	95	95.2	5.0 (85%)	2.9% (85%)
2013/14	94	94.1	7.5 (85%)	6.1 (85%)
			4.0 (80%)	3.1 (80%)
2012/13	94	94.1	4.0	2.9

The figures in the table demonstrate the high commitment and resources put in place to continuously improve attendance, particularly with regard to persistent absentees.

Exclusions

Academic Year	Permanent	Fixed Term
2015/16	5	59
2014/15	2	19
2013/14	4	14
2012/13	2	15

Permanent exclusions have increased to 5 for 2015/16 as a result of an increased student numbers 59 fixed term exclusions as a representative of the whole student numbers for Yr 7 – 11 is 5%, compared to a national average of 6.71%. This is a result of increased KS3 cohort numbers, increased behaviour issues with new intake of students from challenging demographic backgrounds.

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Working with Acle Academy

Since November 2015 the school has worked with Acle Academy, a school in 'Special Measures'. The CEO became Acting Executive Head Teacher of Acle Academy in April 2016.

A number of significant issues were raised regarding Fire Safety and the management of Health and Safety. Issues relating to Fire Safety were mostly resolved in the summer term.

The Wensum Trust worked with an external auditor to establish the level of cash deficit by 31.8.16 and this was reported to the DfE.

The Wensum Trust evaluated the quality of ICT provision at the school and a detailed report was compiled by an external consultant. This has been forwarded to the DfE/EFA for their consideration.

The fabric of the building was also scrutinised and it was established that approximately £500,000 of roof repairs are required, this will form part of a CIF grant bid. Other building recommendations were also made and carried out by the 31.8.16

Working in collaboration with the Acle Leadership Team, The Wensum Trust implemented extensive intervention strategies and as a result, in the Summer 2016, the Year 11 achieved 67% A* - C in English and Maths a rise from 47% achieved in the Summer 2015.

Becoming a Multi Academy Trust

In February 2016 Hellesdon High School became the lead school in The Wensum Trust.

By the 1 October 2016 the Trust will comprise of 5 schools and a further 2 schools planned to join in the Spring Term 2017. At this point the total number of students on roll is estimated to be just under 3,000.

The Wensum Trust has developed a Central Services Team which will deliver a high quality service to those Academies operating within the Trust in return for 5% of their General Annual Grant funding.

These services will include management in: Data & ICT, Finance & Budgeting, HR & Payroll, Site Management and Management of key strategic projects.

FINANCIAL REVIEW

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the Education Funding Agency (EFA). For the year ended 31 August 2016 the Trust received £7,013,982 of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trust's primary objective of the provision of education. During the year the Trust spent £8,286,280 on expenditure and transferred £173,064 to support capital improvement projects to the Academy. The Trust brought forward from 14/15, £150,261 restricted funds, excluding pension reserve and £25,244 unrestricted funding. The carry forward for 15/16 is £121,596 restricted funding, excluding pension reserve and a deficit of £434,487 on unrestricted funding.

Due to the effect of lagged funding for 2015, year 7 intake of 289 students, this required a curriculum plan for 300 students, which has resulted in a significant shortfall in income for the financial year 2015/2016. The effect of this lagged funding has meant that the Trust was operating with reduced income estimated at £331,262 for this financial year. This fact coupled with Sixth Form reducing numbers has had very serious implications on the Trust's cashflow which has resulted in the Trust requiring to use 100% of its free reserves to meet staffing commitments for the year. We can see from future budget projections that this situation will correct itself and by 2017/18 the Trust will be in a stronger financial position.

Due to the accounting rules for the Local Government Pension Scheme under FRS102, the Trust is recognising a significant pension fund deficit of £2,373,000. This does not mean that an immediate liability for this amount crystallises and such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years which has been factored in to the Trust's forecast budgets.

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

PRINCIPAL RISKS AND UNCERTAINTIES

A risk register exists for Hellesdon High School as an Academy and the Trust is in the process of developing a high level, strategic risk register identifying the major risks, to which each Academy is exposed, and identifying actions and procedures to mitigate those risks. This register will be approved and monitored by the Board of Trustees via the Finance, Infrastructure, HR & Audit Committee, with a formal review of the process undertaken on an annual basis.

A comprehensive disaster recovery plan will be in place for each Academy within the Trust. Details of this plan this will be shared with the SLT and LGB of each Academy.

The principal risks facing the Trust and the Academies within it, are outlined below; those facing the Academies at an operational level are addressed by its systems and by internal financial and other controls.

1. Strategic & Reputational Risk – Leading to Falling roll, Funding Impact or School Closure
2. Operational Risks – Failure to Deliver the Curriculum and Maintain Standards
3. Human Resource Risks – Appropriate Staffing to Deliver the Curriculum and Maintain Standards of Support Services
4. Compliance Risks – Prosecution of Academy and Associated Financial or Reputational Loss
5. Financial Risks – Prosecution or Loss of Reputation and Closure of the Academy
6. Property Related Risks – Inability to Deliver Curriculum or Academy Closure
7. ICT Risks – Inability to Manage Day to Day Operations

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the EFA's Academies Financial Handbook, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and are relatively stable with contingencies in place to cover such items as sickness and maternity.

RESERVES POLICY

The Trustees are aware of the requirement to balance current and future needs and always aim to set a balanced budget with annual income balancing annual expenditure. The Trustees monitor estimated year-end carry forward figures via the regular reports from the Chief Finance Officer. The budget plan identifies how any carry forward will be allocated in the plan for the following academic year, including the identification of any funds earmarked for a specific project or purpose.

The Multi Academy Trust is in its infancy and the level of free reserves is minimal and the Trust does not hold any significant contingencies at this moment in time. Previous free reserves have been used to fund the Trust's commitments to 31 August 2016, most notably payroll costs. This has been necessary due to a significant increase in student numbers, increase in the staffing profile and the effect of related funding which is lagged for the increase number of students being taught. This situation is expected to right itself in the following financial year and the Trust expects to see its free reserves build over the following 2 to 3 years.

The Trust's balance on restricted general funds (excluding pension reserve) plus the balance on unrestricted funds at 31 August 2016 was a deficit of £312,891.

Managing the cashflow during the year has been challenging and this is attributable to the effect of lagged funding and increased student numbers, as described above, ending the year with a balance of £118,935.

MATERIAL INVESTMENTS POLICY

An Investment Policy is in the process of being completed.

The aim of the policy will be to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested to maximise its income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as good stewardship and as and when circumstances allow.

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

Plans for future periods

FUTURE DEVELOPMENTS

Additional schools will join the MAT and the schedule is set out below:

- Firside Junior School – to join on 1 September 2016
- Acle Academy – to join on the 1 October 2016
- Arden Grove Infant and Nursery School – to join on the 1 October 2016
- Garrick Green Infant School – to join on the 1 October 2016
- Lodge Lane Infant School – to join on the 1 January 2017
- Heather Avenue Infant School – to join in Spring / Summer Term 2017

Wensum Trust Growth Plan

The Wensum Trust growth plan includes the possibility of developing a series of Academy Hubs providing education from Nursery to Year 13. These will include the Hellesdon Hub of Academies (known as the Norwich Hub) and an Acle Hub of Academies (known as the Broadland Hub).

These hubs will include schools within their individual Cluster and will focus on specific, local needs across the age range. If required, The Trust will also explore the extension of this provision such as pre-school facilities.

The Trust Central Services Team will:

- Ensure all schools within the Trust hubs will receive best value for money in all aspects of their business.
- Grow and develop in accordance with the different requirements of the Academies joining the Trust.
- Grow and adapt in accordance with the different requirements of specialist Academies joining the Trust, including provision solely for SEND, religious denomination.

The Trust Risk Mitigation Strategy

Strategic decisions will be made to:

- mitigate the risks associated with funding cuts, by realising economies of scale;
- maximising all income streams;
- setting a realistic level of reserves to be held centrally with surplus funds invested, to maximise income with minimal risk;
- ensure Academy budgets are manageable and sustainable in accordance with changes to national funding formulas;
- build resilience to economic changes that could affect long term financial stability;
- ensure Academies are able to meet curriculum requirements associated with current education focus;
- have a strategic overview of matters affecting the Academies within the Trust to ensure it can be proactive in its decision making, and not reactive to change and associated risks; and
- to have a long term view and strategies to employ as a result of developments within the local area which may impact on the Trust Academies viability ie new housing developments, impact of new/developing trusts within proximity to The Wensum Trust hubs.

FUNDS HELD AS CUSTODIAN

The Academy did not hold any funds as a custodian trustee on behalf of others during the year.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

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

AUDITORS

The auditors, Price Bailey LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report was approved by order of the Board of Trustees as the company directors, on 5 December 2016 and signed on its behalf by:



John David Smith
Chair of Trustees

THE WENSUM TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that The Wensum 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 Governing Body has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Wensum Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Governing Body has formally met in total 7 times during the year, 5 meetings as Hellesdon High School before The Wensum Trust was established and then two more times as The Wensum Trust with its restructured board and management team. Attendance during the year at meetings of the Governing Body, before and after The Wensum Trust was established, was as follows:

Hellesdon High School

	Meetings attended	Out of a possible
Gerard J Batty, Head Teacher	4	5
Mary E Richards	4	5
Roger Payne	0	1
David R Bowman	4	4
David P Armstrong	0	0
Joanna L Storey	2	4
Helen Wardale, Vice Chair	3	5
Kingsley Avenell	3	5
Antony J Crush	3	5
Edwin Richard Pearson	3	4
Stephen Roberts	3	4
Patrick William Gorman	3	3
Victoria English	4	5

Wensum Trust

Gerard J Batty, Head Teacher	2	2
Mary E Richards	1	2
Patrick William Gorman	2	2
Neil Aylott	2	2
John David Smith, Chair	2	2
Carolyn Baxter	2	2
Gareth Edward Lamb	2	2
Daniel Thrower	2	2

The Board of Trustees is now a small, effective group with a breadth of experience including: accountancy, business, insurance, HR management, litigation & legal services as well as education, spanning from Early Years Foundation Stage to Key Stage 5, for students aged 4 -18 years.

The Chair of the Trust has worked closely with Trust staff to implement the necessary changes to create the Central Services Team required to manage a number of academies. The Central Services Team will be responsible for delivering the Trust Promise to the other Academies in the Trust. Services will include: management of Data & ICT, Budget & Finance, HR & Payroll, Site Development and Management and Strategic Planning.

The Chair of the Trust has provided challenge to the Central Services Team to ensure best value is achieved across all services required by the Trust schools. This will be achieved by capitalising on economies of scale and streamlining staff required to deliver services. Over the next three years the MAT will benefit from free reserves to be invested back into the Trust Academies.

A skills audit is carried out annually across the Board of Trustees. This is carried out in June. From the results of this audit, analysed by the clerk, the clerk will arrange appropriate CPD. The Clerk records all CPD undertaken by Trustees.

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GOVERNANCE STATEMENT (continued)

The skills audit identified a gap in the knowledge of some Trustees relating to Academy accounting and budgeting. As a result, the Trust's Chief Financial Officer delivered a one to one overview to the Chair of the Trust and one other Trustee.

The Chair of the Trust attended a one-day course relating to education funding, organised by Norfolk County Council's Educator Solutions.

The CFO and the Chair of the Trust attended a one-day seminar providing information on MAT growth plans.

In attending the above, Trustees have a greater understanding of the budgeting, finance and in particular, reporting required for a multi-academy trust. They have also benefited from attending the seminar on growth plans and this knowledge will be applied directly as the Trust expands further.

The Trust will conduct its next self-evaluation in June 2017. Advice will be taken from Norfolk County Council's Educator Solutions who provide advice, guidance and relevant training re appropriate external review of the Trust Board.

During this accounting period, two committees oversaw the financial management of The Wensum Trust during its establishment as a single academy trust, and subsequently as further schools were considered for membership. The two committees considered the following areas:

Finance and Audit Committee

The Finance and Audit Committee is a sub-committee of the main Governing Body. Its purpose is to:

- In consultation with the CEO and Chief Finance Officer, to prepare a consolidated Trust budget plan for the financial year including budget requests from each Academy School and the Trust itself to be funded out of the top slice levied on each academy member of The Wensum Trust.
- To ensure that the Trust accounts are independently audited and recommendations acted upon each year and the results made public.
- To establish, maintain and monitor an up-to-date 3 year financial plan for the Trust.
- To consider a budget position statement including virement decisions at least termly and to report significant anomalies from the anticipated position to the Board of Trustees.
- To monitor expenditure of all voluntary funds kept on behalf of The Wensum Trust.
- To make decisions in respect of service agreements in agreement with The Wensum Trust.
- To make decisions on expenditure following recommendations from the CEO, CFO or Local Governing Boards.
- To determine whether sufficient funds are available to make pay increments as recommended by the CEO, CFO or Local Governing Bodies.
- Ensure completion of Peer to Peer consultancy visits and implement any resulting action plan.
- Ensure preparation is made for the audit of financial procedures in line with requirements of the Academies Financial Handbook (AFH) and other Wensum Trust Standards.
- To advise the Trustees on priorities, including Health and Safety, for the requests made by the CEO or Local Governing Bodies to repair, maintain and sustain Academy School facilities and equipment.
- In consultation with the CEO oversee premises-related, free school or other capital funding bids.
- To establish and keep under review a consolidated Wensum Trust Building Development and Accessibility plan.
- Ensure that each Academy follows safer recruitment practices (including carrying out formal DBS checks for all new members of staff and maintenance of a log of staff checks for Single Central Record purposes) and has a formal induction programme for all new staff members which are in line with The Wensum Trust Policy.
- To draft and keep under review The Wensum Trust staffing structure and manage any staff adjustment in consultation with the CEO.
- Review the staffing structures when key vacancies occur and at least annually in relation to priorities for each Academy School improvement plan in consultation with the CEO.
- Monitor and review all policies and procedures, and adopting Education Personnel Management (EPM), HR Provider, model personnel policies and procedures. These cover issues relating to pay, Appraisal, staffing adjustments, recruitment and selection, equal opportunities, employee relations, conduct and capability, grievance, dismissal and whistle-blowing.
- Ensure that the Appraisal policy is implemented throughout The Wensum Trust, and that all staff are included in the system of performance review.
- To consider any other issues which have financial, infrastructure and personnel implications.
- To report to the Board of Trustees at each of its meetings.
- Unless expressly addressed in the Terms of Reference abide by the schedule of requirements detailed in Annex C of the Academies Financial Handbook.

The Finance, Infrastructure, HR & Audit Committee will receive information relating to the issuance of EFA funds. Any significant changes regarding this funding will be reported the Trustees for their consideration at Board level. The Board of Trustees will consider carefully the risk of any Academy joining the Trust and will actively seek opportunities to mitigate such risk.

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GOVERNANCE STATEMENT (continued)

The Committee met five times during the accounting period.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
David R Bowman	4	5
Mary E Richards	2	5
Antony J Crush	5	5
Joanna L Storey	2	3
Gerard J Batty, Headteacher	2	5
Patrick W Gorman	4	4

The skills audit was analysed to provide the best skill fit of Trustees for this Committee. The Committee is now smaller but more focussed and able to provide the necessary challenge to the Trust in its financial management.

The Committee has been challenged with the prospect of an Academy with significant financial problems, joining the MAT. Once this Academy has joined the Trust it will have limited power under its scheme of delegation. However, to mitigate risk to the Trust, Key decisions relating to Staffing, Finance, Site Management will be taken at Trust level.

The Chair of the Trust has provided support to Trust staff enabling them to challenge DfE/EFA relating to the terms and conditions of the brokerage of this Academy to the MAT.

In previous years the Academy operated a reciprocal arrangement with other academies to provide a peer to peer review programme. There has been one peer to peer visit carried out during the accounting period.

Ideally, this would be performed on a termly basis, however this has diminished. However the CFO will work with other similar sized MATS in order to re-establish this programme.

Checks carried out during the peer to peer review included:

Payroll: details of payments through the school's payroll are cross referenced with staff contract details. Sample overtime claims are checked.

HR Contracts: are checked to ensure they are for valid members of staff, paid on the correct scale point and that this matches with information in the school budget and in the payroll report.

Expenditure: random checks of prime documents are made to ensure correct authorisation is in place, correctly recorded in accounts system. Payments made by school debit card are also checked and to ensure that correct procedures are in place for placing such orders and reconciling purchase card statements.

Income: records as stated in prime documents are checked against expected income.
Banking is checked for integrity against prime records and the school's cash management system (Tucasi)

Debtors: records are checked that any income outstanding is chased in accordance with the bad debt policy and that the maximum amount of income due, is received

Accounting System: is checked to ensure that the accounts are up to date, that relevant management reports are produced on a month basis, that VAT is reclaimed on a monthly basis and Petty Cash is accounted for correctly.

Asset Management: a review of capitalisation is undertaken. Expenditure is checked and noted that items have been correctly capitalised. Disposal of assets is also reviewed.

Management Reports: are reviewed to ensure they are in place and up to date. Evidence that these reports are provided to the Finance Committee is also noted.

Once the programme of Peer to Peer has been re-established this will be carried out on a termly basis.

The internal reviewer carried out one Peer to Peer visit and a report was provided. No material control issues were identified in the Peer to Peer visit.

THE WENSUM TRUST
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GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

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

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

The Wensum Trust is in the process of refining the strategic objectives; the aims being:

- Lead, Influence and Engage
- Inspire, Motivate and Transform
- Innovate, Collaborate and Build

Trustees will apply the aims of best value:

Challenge — is the performance of the academies within the Trust high enough? Why and how is a service provided? Do we still need it? Can it be delivered differently? What do stakeholders want?

Compare - How do our academies pupil performance compare with all academies? How do they compare nationally? How do they compare with similar academies?

Consult - How do our academies seek the views of stakeholders about the service the Trust provides?

Compete - How does the Trust secure efficient and effective services? Are services of appropriate quality, economic?

Trustees'/Governors' approach

The Trustees/Governors and Academy Managers will apply the principals of best value when making decisions about:

- The allocation of resources to promote the aims and values of the academies in our Trust
- The targeting of resources to best improve standards and quality of all provision
- The use of resources to best support the various learning needs of all pupils, staff, parents, governors and Trustees.

Trustees, Governors and Academy Leaders will:

Make comparisons with other/similar academies using data provided by Local Authority and Department for Education, e.g. Raise on line, benchmarking tools, quality of teaching/learning, levels of expenditure

Challenge proposals, examining them for effectiveness, efficiency, and cost, e.g. setting of annual pupil achievements targets

Require suppliers to compete on grounds of cost, and quality/suitability of services/products/backup

Consult individuals and organisations on quality/suitability of service we provide to parents and pupils and services we receive from providers e.g. Energy Management/HR, Risk Management/Safeguarding, External consultant, Ofsted.

This will apply in particular to:

- staffing
- use of resources
- quality of teaching
- quality of learning
- use of premises
- purchasing
- student's welfare and emotional well-being
- health and safety
- Trustees, Governors and Academy Leaders will not:
 - waste time and resources on investigating minor areas where few improvements can be achieved
 - waste time and resources to make minor savings in costs
 - waste time and resources by seeking tenders for minor supplies and services

The pursuit of minor improvements or savings is not cost effective if the administration involves substantial time or costs. Time wasted on minor improvements or savings can also distract management from more important or valuable areas.

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GOVERNANCE STATEMENT (continued)

Reviewing controls and managing risk

The trust has established robust, segregation of duties within financial control. The Trust's Finance, Infrastructure, HR & Audit Committee has instigated monthly reconciliation and monitoring with Finance Support Officers of each Academy within the Trust and reports are prepared and presented to the Trust's Finance, Infrastructure, HR & Audit Committee at least termly. The Trustees challenge decision makers within the Trust on the cost effectiveness of spending proposals to achieve value for money.

Staffing

The Chief Executive Officer and Headteacher/Heads of School will deploy staff to provide best value in terms of quality of teaching, quality of learning adult- pupil ratio, curriculum management and specific academy needs. The staffing structures of the three academies are reviewed each year to ensure the most appropriate provision for our pupils.

Use of premises

Governors and Headteacher/Heads of School will consider the allocation and use of teaching areas, support areas and communal areas to provide the best environments for all within the Academy community to improve.

Use of resources

Governors and Headteacher/Heads of School will deploy equipment, materials and services to provide students and staff with appropriate resources which promote high quality teaching and learning. The Chief Finance Officer oversees the Asset Registers and manages the allocation of resources in terms of costings, effectiveness and depreciation.

Teaching

Governors and Academy leaders will annually review the quality of curriculum and quality of teaching, to provide parents and pupils with:

- A curriculum which meets the requirements of the needs of all students.
- Teaching that builds on previous learning and has high expectations of children's attainment and achievement.
- The Trust has greater capacity for improved teaching and learning outcomes as the professional partnership has provided opportunities for staff and pupils to share good practice, ideas and resources to support raising standards.

Learning

Governors and Academy leaders will review the quality of students learning on a termly basis, by cohort, class, groups, to provide the learning environment which enables pupils to achieve better than National progress. Annual targets will be set using pupils' prior attainment and the need for accelerated progress, the minimum progress of two national curriculum levels between Years 3 and 6.

Headteachers/Heads of School/Heads of Department will carry out termly pupil progress challenge meetings with class teachers, review interventions and their impact and address any identified underachievement. All academies will be expected to strive towards floor standards or above.

Purchasing

Trustees, Governors and Headteacher/Heads of School will develop procedures for assessing need, and obtaining goods and services which provide "best value" in terms of suitability, efficiency, time and cost.

Measures already in place include:

- Competitive tendering procedures
- Procedures for accepting best value quotes which are not necessarily the cheapest
- Procedures which minimise administration time by the purchase of goods or services under £1000 direct from known reliable suppliers e.g., stationery, small equipment

Pupils' Welfare

Governors and Headteacher/Heads of School will review the quality of the Academy environment and the Academy ethos, in order to provide a supportive environment conducive to learning and recreation.

Health and Safety

Governors and Academy Leaders will review the quality of the learning environment and resources, carrying out appropriate risk assessments in order to provide a safe working environment for students, staff and visitors.

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GOVERNANCE STATEMENT (continued)

Monitoring

These areas will be monitored for best value by:

- In-house monitoring by Senior Leadership Team and subject leaders e.g. classroom practice, work sampling
- Classroom observations
- Staff Appraisal
- Annual Budget Planning
- Headteacher/Head of School, Trustee of Finance and Heads of School regular financial reviews
- Visits by Finance Officers
- Termly monitoring by the Headteacher/Heads of School
- Analysis of academy pupil performance data and financial data against similar academies nationally
- Ofsted inspection reports

Governor and Trustee:

- Termly committee meetings and full meetings
- Annual Target Setting meetings

The Trustees and Governing Body will:

- discuss "Best Value" every year and review their "Best Value " statement
- obtain tenders and advice on any large scale developments
- obtain regular assessments e.g. energy to ensure "Best Value"

Value for money will be achieved by the introduction of a Central Services Team, focusing on key areas to provide essential services across the MAT. Savings will be evident in the following year's accounts. These savings will be achieved in the provision of Accountancy and Audit, Budgeting & Finance, Compliance and Statutory Testing, HR & Payroll, Insurance Services, Site Management and other centralised bought-in professional services where discounts are negotiated with the providers.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Wensum Trust for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Governing Body;
- regular reviews by the Finance and Audit 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 WENSUM TRUST
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GOVERNANCE STATEMENT (continued)

The appointee's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. On a quarterly basis, the appointee reports to the Governing Body on the operation of the systems of control and on the discharge of the Governing Body's financial responsibilities.

The Governing Body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors recognise the requirement of Peer to Peer review as detailed in the Academy Financial Handbook. Governors are satisfied that the reciprocal arrangement with Ace, Notre Dame, Reepham and Sheringham High Schools provide this service and gives them confidence in their overview of the financial control system in place. Should any control issues be highlighted as a result of peer review, all necessary remedial actions will be undertaken and reported to the Full Governing Body.

The Academy Trust confirms that the function of the Peer to Peer review has been fully delivered in line with the EFA requirements as stated in the Academy Financial Handbook. No material issues were identified at this time.

REVIEW OF EFFECTIVENESS

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

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

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

Approved by order of the members of the Governing Body on 5 December 2016 and signed on their behalf, by:



John David Smith
Chair of Trustees



Gerard J Batty
Accounting Officer

THE WENSUM TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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 2015.

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



Gerard J Batty
Accounting Officer

Date: 5/12/16

THE WENSUM TRUST
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees (who 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 issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent; 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 the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Governing Body on 5 December 2016 and signed on its behalf by:



John D Smith
Chair of Trustees

THE WENSUM TRUST
(A Company Limited by Guarantee)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE WENSUM TRUST

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

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

THE WENSUM TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF THE
WENSUM TRUST**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



John Warren BSc FCA (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

20 Central Avenue
St Andrews Business Park
Thorpe St Andrew
Norwich
Norfolk
NR7 0HR

Date: 22 December 2016

THE WENSUM TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
WENSUM TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 19 September 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Wensum Trust during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF THE WENSUM TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of The Wensum Trust's funding agreement with the Secretary of State for Education dated 30 March 2012, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration and corroboration of the evidence supporting the accounting officers statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the academy trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other Key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

THE WENSUM TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
WENSUM TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

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

Price Bailey LLP

Price Bailey LLP

Chartered Accountants
Statutory Auditors

20 Central Avenue
St Andrews Business Park
Thorpe St Andrew
Norwich
Norfolk
NR7 0HR

Date: *22 December 2016*

THE WENSUM TRUST
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	40,598	92,636	42,217	175,451	122,042
Charitable activities	5	235,855	6,778,127	-	7,013,982	7,627,559
Other trading activities	3	77,239	211,983	-	289,222	294,861
Investments	4	1,594	-	-	1,594	2,336
TOTAL INCOME		355,286	7,082,746	42,217	7,480,249	8,046,798
EXPENDITURE ON:						
Charitable activities	7	815,016	7,070,347	400,917	8,286,280	8,536,367
TOTAL EXPENDITURE	6	815,016	7,070,347	400,917	8,286,280	8,536,367
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	16	(459,730)	12,399	(358,700)	(806,031)	(489,569)
		-	(173,064)	173,064	-	-
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		(459,730)	(160,665)	(185,636)	(806,031)	(489,569)
Actuarial losses on defined benefit pension schemes	20	-	(1,021,000)	-	(1,021,000)	(22,000)
NET MOVEMENT IN FUNDS		(459,730)	(1,181,665)	(185,636)	(1,827,031)	(511,569)
RECONCILIATION OF FUNDS:						
Total funds brought forward		25,244	(1,069,739)	14,284,391	13,239,896	13,751,465
TOTAL FUNDS CARRIED FORWARD		(434,486)	(2,251,404)	14,098,755	11,412,865	13,239,896

THE WENSUM TRUST
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07982312

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	13		14,098,755		14,284,390
CURRENT ASSETS					
Debtors	14	310,805		219,583	
Cash at bank and in hand		118,935		830,326	
		<u>429,740</u>		<u>1,049,909</u>	
CREDITORS: amounts falling due within one year	15	(742,630)		(874,403)	
NET CURRENT (LIABILITIES)/ASSETS			<u>(312,890)</u>		<u>175,506</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>13,785,865</u>		<u>14,459,896</u>
Defined benefit pension scheme liability	20	(2,373,000)		(1,220,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>11,412,865</u></u>		<u><u>13,239,896</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	16	121,596		150,261	
Restricted fixed asset funds	16	14,098,755		14,284,391	
		<u>14,220,351</u>		<u>14,434,652</u>	
Restricted income funds excluding pension liability		14,220,351		14,434,652	
Pension reserve		(2,373,000)		(1,220,000)	
		<u>11,847,351</u>		<u>13,214,652</u>	
Total restricted income funds			11,847,351		13,214,652
Unrestricted income funds	16		(434,486)		25,244
TOTAL FUNDS			<u><u>11,412,865</u></u>		<u><u>13,239,896</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 5 December 2016 and are signed on their behalf, by:



John David Smith
Chair of Governors

The notes on pages 34 to 52 form part of these financial statements.

THE WENSUM TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	As restated 2015 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(539,920)	221,185
		<hr/>	<hr/>
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,594	2,336
Purchase of tangible fixed assets		(215,282)	(91,338)
Capital grants from DfE/EFA		42,217	11,037
		<hr/>	<hr/>
Net cash used in investing activities		(171,471)	(77,965)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		(711,391)	143,220
Cash and cash equivalents brought forward		830,326	687,106
		<hr/>	<hr/>
Cash and cash equivalents carried forward		118,935	830,326
		<hr/> <hr/>	<hr/> <hr/>

THE WENSUM TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

The Wensum Trust constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of The Wensum Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of The Wensum Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015. [The Trustees have also taken advantage of certain exemptions from the requirements of FRS 102 permitted by FRS 102 Chapter 35 'Transition to this FRS']

Reconciliations to previous UK GAAP for the comparative figures are included in note 27.

1.2 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

THE WENSUM TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

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

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

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

1.4 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.

Charitable activities and Governance costs 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.

1.5 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in 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.

THE WENSUM TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,000 (£1,000 for computer equipment) are capitalised.

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

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

Long term leasehold land	-	over the life of the lease (125 years)
Long term leasehold property	-	2% straight line
Plant and machinery	-	15% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	10% straight line
Computer equipment	-	25% straight line

1.7 Operating leases

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

1.8 Interest receivable

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

1.9 Taxation

The academy 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 is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

THE WENSUM TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.10 Debtors

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

1.11 Cash at Bank and in hand

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

1.12 Liabilities and provisions

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

1.13 Financial instruments

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

1.14 Pensions

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

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

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

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

THE WENSUM TRUST
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.15 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust does not use any of the allocation towards its own administration costs and so none is recognised in the statement of financial activities. The funds received and paid and any balance held are disclosed in note 26.

1.16 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 20, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	40,598	92,636	-	133,234	111,005
Capital Grants	-	-	42,217	42,217	11,037
	<u>40,598</u>	<u>92,636</u>	<u>42,217</u>	<u>175,451</u>	<u>122,042</u>
Total donations and capital grants	<u>40,598</u>	<u>92,636</u>	<u>42,217</u>	<u>175,451</u>	<u>122,042</u>

In 2015, of the total income from donations and capital grants, £13,338 was to unrestricted funds and £108,704 was to restricted funds.

THE WENSUM TRUST
(A Company Limited by Guarantee)

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

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Rental Income	70,871	-	70,871	63,578
Other Income	6,368	192,584	198,952	213,499
Music lessons	-	19,399	19,399	17,784
	<u>77,239</u>	<u>211,983</u>	<u>289,222</u>	<u>294,861</u>

In 2015, of the total income from other trading activities, £70,945 was to unrestricted funds and £223,916 was to restricted funds.

4. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank Interest	1,594	-	1,594	2,336
	<u>1,594</u>	<u>-</u>	<u>1,594</u>	<u>2,336</u>

In 2015, of the total investment income, £2,336 was to unrestricted funds and £NIL was to restricted funds.

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	6,192,418	6,192,418	5,934,998
Other DfE / EFA grants	-	583,813	583,813	1,433,806
	<u>-</u>	<u>6,776,231</u>	<u>6,776,231</u>	<u>7,368,804</u>
Other government grants				
Local authority grants	-	-	-	21,481
	<u>-</u>	<u>-</u>	<u>-</u>	<u>21,481</u>
Other funding				
Special educational projects	-	1,896	1,896	-
Catering income	235,855	-	235,855	237,274
	<u>235,855</u>	<u>1,896</u>	<u>237,751</u>	<u>237,274</u>
	<u>235,855</u>	<u>6,778,127</u>	<u>7,013,982</u>	<u>7,627,559</u>

In 2015, of the total income from charitable activities, £237,274 was to unrestricted funds and £7,390,285 was to restricted funds.

THE WENSUM TRUST
(A Company Limited by Guarantee)

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

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Provision of education:					
Direct costs	5,096,602	-	695,681	5,792,283	5,435,811
Support costs	901,924	635,984	956,089	2,493,997	3,067,556
	<u>5,998,526</u>	<u>635,984</u>	<u>1,651,770</u>	<u>8,286,280</u>	<u>8,503,367</u>

In 2016, of the total expenditure, £815,017 (2015 - £412,617) was to unrestricted funds, £7,070,346 (2015 - £7,682,460) was to restricted funds and £400,917 (2015 - £408,290) was to restricted fixed asset funds.

7. CHARITABLE ACTIVITIES

	2016 £	As restated 2015 £
Direct costs - educational operations	5,792,283	5,435,811
Support costs - educational operations	2,194,086	3,100,556
	<u>7,986,369</u>	<u>8,536,367</u>

	2016 £	As restated 2015 £
Analysis of support costs		
Support staff costs	948,924	861,823
Depreciation	400,917	408,292
Technology costs	-	-
Premises costs	375,868	1,417,115
Other support costs	457,617	406,051
Governance costs	10,760	7,275
	<u>2,194,086</u>	<u>3,100,556</u>

Premises costs for the year ended 31 August 2015 included significant non-recurring costs for new windows and roofing works at Hellesdon High School. Specific government grant income was received towards these costs.

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	400,917	408,292
Auditors' remuneration - audit	6,260	4,750
Auditors' remuneration - non-audit	4,500	2,025
Operating lease rentals	11,856	10,729
	<u>423,533</u>	<u>435,846</u>

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9. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	4,765,681	4,511,410
Social security costs	395,289	333,650
Operating costs of defined benefit pension schemes	837,556	698,887
	5,998,526	5,543,947
Supply teacher costs	-	46,677
	5,998,526	5,590,624

Staff restructuring costs comprise:

	2016	2015
	£	£
Severance payments	11,100	-
	11,100	-

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £11,100 (2015 - NIL). Individually, a payment of £11,100 (2015 - NIL) was made.

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

	2016	2015
	No.	No.
Teachers	89	96
Administration and support	76	79
Management	9	10
	174	185
	174	185

Average headcount expressed as a full time equivalent:

	2016	2015
	No.	No.
Teachers	84	80
Administration and support	60	59
Management	9	9
	153	148
	153	148

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

	2016	2015
	No.	No.
In the band £ 60,001 - £ 70,000	5	0
In the band £ 70,001 - £ 80,000	1	1
In the band £110,001 - £120,000	1	1

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9. STAFF COSTS (continued)

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 £816,210 (2015: £774,848).

Included in the above are employer pension contributions of £148,870 (2015: £98,048).

10. CENTRAL SERVICES

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

11. TRUSTEES'/GOVERNORS' REMUNERATION AND EXPENSES

One or more Trustees/Governors have been paid remuneration or have received other benefits from an employment with the academy trust. The CEO and other staff Trustees/Governors only received remuneration in respect of services they provided undertaking the roles of CEO and other staff members, under their contracts of employment, and not in respect of their role as Trustees/Governors. The value of Trustees/Governors remuneration and other benefits paid was as follows:

Gerard J Batty

Remuneration £115,000-£120,000 (2015:£110,000-£115,000)

Employer's Pension contribution £15,000-£20,000 (2015:£15,000-£20,000)

David P Armstrong

Remuneration £NIL (2015:£40,000-£45,000)

Employer's Pension contribution £NIL (2015:£5,000-£10,000)

Victoria English

Remuneration £15,000-£20,000 (2015:£NIL)

Employer's Pension contribution £0-£5,000 (2015:£NIL)

Neil Aylott

Remuneration £15,000-£20,000 (2015:£NIL)

Employer's Pension contribution £0-£5,000 (2015:£NIL)

During the year ended 31 August 2016, expenses totalling £1,156 (2015 - £420) were reimbursed to 2 Trustees/Governors (2015 - 1) in carrying out their duties as employees of the Trust.

Other related party transactions involving the Trustees are set out in note 22.

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2016 is included in the total insurance costs.

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

13. TANGIBLE FIXED ASSETS

	Long term leasehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost						
At 1 September 2015	14,644,922	64,071	13,750	395,380	469,584	15,587,707
Additions	159,839	7,338	-	5,306	42,799	215,282
At 31 August 2016	<u>14,804,761</u>	<u>71,409</u>	<u>13,750</u>	<u>400,686</u>	<u>512,383</u>	<u>15,802,989</u>
Depreciation						
At 1 September 2015	892,570	26,518	11,745	117,334	255,150	1,303,317
Charge for the year	260,116	2,610	2,005	37,656	98,530	400,917
At 31 August 2016	<u>1,152,686</u>	<u>29,128</u>	<u>13,750</u>	<u>154,990</u>	<u>353,680</u>	<u>1,704,234</u>
Net book value						
At 31 August 2016	<u>13,652,075</u>	<u>42,281</u>	<u>-</u>	<u>245,696</u>	<u>158,703</u>	<u>14,098,755</u>
At 31 August 2015	<u>13,752,352</u>	<u>37,553</u>	<u>2,005</u>	<u>278,046</u>	<u>214,434</u>	<u>14,284,390</u>

The land and buildings have been included in the accounts based on the valuation provided by the EFA using depreciated replacement cost. The trustees believe that the cost of obtaining a more detailed valuation outweighs the benefit.

14. DEBTORS

	2016 £	2015 £
Trade debtors	199,850	105,201
Other debtors	54,729	56,787
Prepayments and accrued income	56,226	57,595
	<u>310,805</u>	<u>219,583</u>

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15. CREDITORS: Amounts falling due within one year

	2016	2015
	£	£
Other taxation and social security	118,103	96,074
Other creditors	99,519	84,675
Accruals and deferred income	525,008	693,654
	742,630	874,403
	742,630	874,403
	2016	2015
	£	£
Deferred income		
Deferred income at 1 September 2015	33,980	188,156
Resources deferred during the year	15,656	33,980
Amounts released from previous years	(33,980)	(188,156)
	15,656	33,980
	15,656	33,980

At the balance sheet date, the amount included in deferred income was in relation to rates relief from the EFA.

Included within other creditors are amounts payable on the pension schemes in respect of employees' and employer's contributions.

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

16. STATEMENT OF FUNDS

	Brought forward £	Income £	Resources expended £	Transfers in/out £	Gains/ (Losses) £	Carried forward £
Designated funds						
3G Pitch	10,000	-	-	-	-	10,000
General funds						
Other unrestricted	15,244	355,286	(815,016)	-	-	(444,486)
Total Unrestricted funds	25,244	355,286	(815,016)	-	-	(434,486)
Restricted funds						
General Annual Grant (GAG)	-	6,192,418	(6,019,354)	(173,064)	-	-
Other DfE/EFA grants	121,798	286,757	(336,574)	-	-	71,981
Educational visits	28,463	88,725	(67,573)	-	-	49,615
Pupil premium	-	297,056	(297,056)	-	-	-
Other restricted	-	217,790	(217,790)	-	-	-
Pension reserve	(1,220,000)	-	(132,000)	-	(1,021,000)	(2,373,000)
	(1,069,739)	7,082,746	(7,070,347)	(173,064)	(1,021,000)	(2,251,404)
Restricted fixed asset funds						
Restricted fixed assets	14,284,391	-	(398,799)	-	-	13,885,592
Devolved Formula Capital grant	-	42,217	-	(42,217)	-	-
Capital expenditure from GAG	-	-	(2,118)	215,281	-	213,163
	14,284,391	42,217	(400,917)	173,064	-	14,098,755
Total restricted funds	13,214,652	7,124,963	(7,471,264)	-	(1,021,000)	11,847,351
Total of funds	13,239,896	7,480,249	(8,286,280)	-	(1,021,000)	11,412,865

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

Designated fund

A separate fund has been designated for future maintenance of the 3G pitch.

General Annual Grant

This represents funding from the EFA to cover the costs of recurrent expenditure.

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

Other DfE/EFA grants

This represents other funding from the DfE and EFA towards the provision of education.

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

16. STATEMENT OF FUNDS (continued)

Educational visits

This represents contributions made by parents to the running of educational visits for the pupils of the Academy and the associated costs of running the trips.

Other government grants

This represents other funding from the government towards the provision of education.

Pupil Premium

This funding is to be used to raise achievement and improve outcomes for pupils from low-income families who are eligible for free school meals, looked after children and those from families with parents in the Armed Forces.

Other restricted

This represents funding received from other bodies towards a specific purpose.

Pension reserve

This fund represents the Academy's share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the academy on conversion from a state controlled school.

The restricted pension fund is materially in deficit and plans to eliminate the liability on the defined benefit pension scheme are set out in note 20 based on the period end actuarial valuation.

Restricted fixed asset fund

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

Transfers to this fund are in relation to fixed assets purchased from other funding sources.

Devolved Formula Capital (DFC) fund

The Academy is to use the DFC allocation to maintain and improve its buildings and facilities. Transfers from the DFC fund are in relation to purchases of fixed assets.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2016 were allocated as follows:

	Total 2016 £	Total 2015 £
Hellesdon High School	(312,891)	175,505
Restricted fixed asset fund	14,098,755	14,284,391
Pension reserve	(2,373,000)	(1,220,000)
Total	11,412,864	13,239,896

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**NOTES TO THE FINANCIAL STATEMENTS
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16. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2016 £	Total 2015 £
Hellesdon High School	5,096,602	901,924	440,338	1,847,416	8,286,280	8,536,367

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	14,098,755	14,098,755	14,284,391
Current assets	-	429,740	-	429,740	1,049,909
Creditors due within one year	(434,486)	(308,144)	-	(742,630)	(874,404)
Provisions for liabilities and charges	-	(2,373,000)	-	(2,373,000)	(1,220,000)
	<u>(434,486)</u>	<u>(2,251,404)</u>	<u>14,098,755</u>	<u>11,412,865</u>	<u>13,239,896</u>

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

	2016 £	As restated 2015 £
Net expenditure for the year (as per Statement of financial activities)	(806,031)	(489,569)
Adjustment for:		
Depreciation charges	400,917	408,292
Dividends, interest and rents from investments	(1,594)	(2,336)
Increase in debtors	(91,222)	(183,533)
(Decrease)/increase in creditors	(131,773)	371,368
Capital grants from DfE and other capital income	(42,217)	(11,037)
Pension adjustments	132,000	128,000
Net cash (used in)/provided by operating activities	<u>(539,920)</u>	<u>221,185</u>

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	118,935	830,326
Total	<u>118,935</u>	<u>830,326</u>

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20. PENSION COMMITMENTS

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

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

Contributions amounting to £99,519 were payable to the schemes at 31 August 2016 (2015 - 84,439) 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.

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £563,717 (2015 - £443,887).

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

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

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20. PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £249,000 (2015 - £227,000), of which employer's contributions totalled £188,000 (2015 - £170,000) and employees' contributions totalled £61,000 (2015 - £57,000). The agreed contribution rates for employers are 16.8% to 31 March 2017, 21.1% to 31 March 2018, 21.9% plus an annual contribution of £700 to 31 March 2019 and 21.9% plus an annual contribution of £5,400 to 31 March 2020. The agreed future contribution rate for employees is tiered based on salary levels between the following rates, 5.5% and 12.5%.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.00 %	3.70 %
Rate of increase in salaries	3.10 %	3.50 %
Rate of increase for pensions in payment / inflation	2.10 %	2.60 %
Commutation of pensions to lump sums	50.00 %	50.00 %

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

	2016	2015
Retiring today		
Males	22.1	22.1
Females	24.3	24.3
Retiring in 20 years		
Males	24.5	24.5
Females	26.9	26.9

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20. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	1,618,800	1,214,520
Bonds	701,480	544,440
Property	323,760	272,220
Cash	53,960	62,820
	<u>2,698,000</u>	<u>2,094,000</u>
Total market value of assets	<u>2,698,000</u>	<u>2,094,000</u>

The actual return on scheme assets was £365,000 (2015 - £79,000).

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(273,000)	(256,000)
Net interest cost	(47,000)	(42,000)
	<u>(320,000)</u>	<u>(298,000)</u>
Total	<u>(320,000)</u>	<u>(298,000)</u>

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

	2016 £	2015 £
Opening defined benefit obligation	3,314,000	2,868,000
Current service cost	273,000	256,000
Interest cost	129,000	112,000
Contributions by employees	61,000	57,000
Actuarial losses	1,304,000	31,000
Exchange differences on foreign schemes	(10,000)	(10,000)
	<u>5,071,000</u>	<u>3,314,000</u>
Closing defined benefit obligation	<u>5,071,000</u>	<u>3,314,000</u>

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

	2016 £	2015 £
Opening fair value of scheme assets	2,094,000	1,798,000
Interest income	82,000	70,000
Actuarial gains and (losses)	283,000	9,000
Contributions by employer	188,000	170,000
Contributions by employees	61,000	57,000
Assets acquired in a business combination	(10,000)	(10,000)
	<u>2,698,000</u>	<u>2,094,000</u>
Closing fair value of scheme assets	<u>2,698,000</u>	<u>2,094,000</u>

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21. OPERATING LEASE COMMITMENTS

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

	2016	2015
	£	£
Amounts payable:		
Within 1 year	11,856	11,856
Between 1 and 5 years	13,753	25,610
	25,609	37,466
Total	25,609	37,466

22. RELATED PARTY TRANSACTIONS

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

In January 2016 the Trustee, G Batty became the Accounting Officer of Acle Academy (a single academy trust) which The Wensum Trust provided support to during the year thus making the two trusts related parties and so any transactions between them reportable as related party transactions during this time. During the time that the two trusts were related parties The Wensum Trust charged Acle Academy £92,809 for educational and management support services provided. The level of the charges were in accordance with a service level agreement between the trusts and at the cost that The Wensum Trust incurred in providing the services with no element of profit built into them. As at the reporting date The Wensum Trust was owed an unsecured amount of £48,580 by Acle Academy in respect of these services. All transactions were carried out in accordance with the "at cost requirements" as stipulated in section 3.2 of the EFA Academies Financial Handbook 2015.

23. POST BALANCE SHEET EVENTS

On 1 September 2016 Firside Junior School converted to academy status from local authority maintained school to The Wensum Trust. The financial effect on The Wensum Trust of this acquisition is estimated to increase the net assets by approximately £30,000.

On 1 October 2016 Garrick Green Infant School converted to academy status from local authority maintained school to The Wensum Trust. The financial effect on The Wensum Trust of this acquisition is estimated to increase the net assets by approximately £163,000.

On 1 October 2016 Arden Grove Infant and Nursery School transferred its operating activities as an academy from its single academy trust to The Wensum Trust. The financial effect on the Wensum Trust of this acquisition is not known at the date of issuing these financial statements but is estimated to increase the net assets of The Wensum Trust by approximately £150,000.

On 1 October 2016 Acle Academy transferred its operating activities as an academy from its single academy trust to The Wensum Trust. The financial effect on the Wensum Trust of this acquisition is not known at the date of issuing these financial statements but it is estimated to have a limited initial effect on the net assets of The Wensum Trust.

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24. FINANCIAL INSTRUMENTS

	2016 £	2015 £
Financial assets measured at amortised cost	318,785	935,527
Financial liabilities measured at amortised cost	608,871	762,799

Financial assets measured at amortised cost comprise trade debtors and bank balances.

Financial liabilities measured at amortised cost comprise trade creditors, pension creditor and accruals.

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. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2016 the trust received £16,807 and disbursed £6,303 from the fund. An amount of £27,971 (2015: £17,755) is included in other creditors relating to undistributed funds that are repayable to EFA.

27. FIRST TIME ADOPTION OF FRS 102

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

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

	1 September 2014 £	31 August 2015 £
RECONCILIATION OF TOTAL FUNDS		
Total funds under previous UK GAAP	13,751,465	13,239,896
Total funds reported under FRS 102	<u>13,751,465</u>	<u>13,239,896</u>

	Notes	31 August 2015 £
Reconciliation of net (expenditure)		
Net (expenditure) previously reported under UK GAAP		(456,569)
Change in recognition of LGPS interest cost	A	<u>(33,000)</u>
Net movement in funds reported under FRS 102		<u>(489,569)</u>

Explanation of changes to previously reported funds and net income/expenditure:

A The change represents the recognition of the net interest expense under FRS 102.