

**ASHMOLE ACADEMY TRUST LIMITED
(FORMERLY ASHMOLE ACADEMY)
(A Company Limited by Guarantee)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)

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ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)

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

Members

Mr Jeffrey Kaye (resigned 30 November 2015)
Mr Ron Hawksby (resigned 30 November 2015)
Mr Stuart Dixon (appointed 26 November 2015)
Mr Mark Mishon (appointed 26 November 2015)
Mr Anthony Ugorji (appointed 26 November 2015)
Mr Rudi Ramdarshan (appointed 26 November 2015)
Dr Alan Davison (appointed 26 November 2015)
Mr Christopher Ray (resigned 30 November 2015)
Mr James Fowler (appointed 15 December 2015)
Mrs Gonul Daniels (resigned 30 November 2015)

Trustees

Mrs Gonul Daniels
Mr Stuart Dixon, Chair of Trustees (appointed 26 November 2015)
Mr Mark Mishon (appointed 26 November 2015)
Ms Allison Walling (resigned 15 December 2015)
Mr Anthony Ugorji (appointed 26 November 2015)
Mr Rudi Ramdarshan (appointed 26 November 2015)
Dr Alan Davison (appointed 26 November 2015)
Ms Christina Mousicos (resigned 15 December 2015)
Ms Carolyn Barnes (resigned 15 December 2015)
Ms Gina Cooper (resigned 15 December 2015)
Mr Christopher Ray (resigned 30 November 2015)
Mr Michael Antoniou
Ms Nicola Stapleton (resigned 15 December 2015)
Ms Lisa Rutter, Councillor (resigned 15 December 2015)
Mr Emanuele Vadilonga
Mrs Joanna Tambourides, Councillor (resigned 15 December 2015)
Mr Marinos Onissiphorou (resigned 15 December 2015)
Mr Derrick Brown, Head Teacher and Accounting Officer
Ms Madeleine Betton (resigned 15 December 2015)
Mr Jon Bradbury (appointed 15 December 2015)
Mrs Sue Willmott (appointed 30 October 2015, resigned 15 December 2015)

**Company registered
number**

07375627

(Registered in England and Wales)

Company name

Ashmole Academy Trust Limited

**Principal and registered
office**

Cecil Road
London
N14 5RJ

ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)

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

Advisers (continued)

Company secretary Mr Daniel Powell

Senior management team
Mr Derrick Brown, Head Teacher
Mr Tim Sullivan, Senior Deputy Head
Ms Carolyn Barnes, Deputy Head
Mr Balbinder Dhinsa, Deputy Head
Mr Daniel Powell, Finance Director

Independent auditors MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Euro House
1394 High Road
London
N20 9YZ

Bankers Barclays Bank plc
1250 High Road
Whetstone
London
N20 0WE

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

ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

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

The trust operates an academy for pupils aged 11 to 18 with admissions based on a catchment area in North London. It has a pupil roll of 1556 in the school census on 6th October 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The trustees of Ashmole Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The Charitable Company is known as Ashmole Academy Trust.

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

On the 15th December 2015 the year the Trust converted to a multi-academy trust as part of its long term strategic plan and adopted new articles which are filed at Companies House.

Members Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust. Details of the costs and the limit of the indemnity can be found in note 11 to the accounts.

Method of Recruitment and Appointment or Election of Trustees

The Trustees are appointed by the Members based on the needs of the Trust. The Members will use external providers including the Department for Education, Academies Ambassadors and FASNA to assist in this in the identification and selection of Trustees.

Policies and Procedures Adopted for the Induction and Training of Trustees

The policies and procedures for the recruitment, induction and training of governors are available from the Clerk to the Trustees.

Organisational Structure

Ashmole School became a 'converter' Academy as an outstanding school on 1st October 2010. It has approximately 1500 students with an intake of 232 at Year 7. The Academy has a Sixth Form of 380.

The Academy is led by a Head Teacher and a Leadership Team consisting of an Associate Head Teacher, Deputy Head Teachers and a Finance Director. The Leadership Team is responsible for the operation of the school adhering to policies and procedures determined by the Governing Body or the Head Teacher. The Leadership Team is accountable to the Head Teacher.

ASHMOLE ACADEMY TRUST LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

The Head Teacher has delegated spending authority as detailed and published by the Governing Body. Some of the Head Teacher's delegated authority will be delivered to members of the Leadership Team and Heads of Department within limits allocated.

Arrangements for setting pay and remuneration of key management personnel

The policy for decisions on pay for employees of Academy complies with current legislation and the requirements of the School Teachers' Pay & Conditions Document and the Conditions of Service for School Teachers in England and Wales (commonly known as the "Burgundy Book"), the National Joint Council for Local Government Services National Agreement on Pay & Conditions of Services ("Green Book") and any local pay/grading system for Support staff. The policy has been consulted on with staff and the recognised trade unions. The pay and remuneration of the Senior Management Team is discussed by the Trustees following regular appraisals.

Related parties and other connected charities and organisations.

Ashmole Academy Trust is an independent multi-academy trust and is not part of any federation. The Trust has a dormant subsidiary, The Ashmole Academy Trading Company Limited.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the charitable company is the operation of Ashmole Academy to provide education for male and female students of different abilities between the ages of 11 and 19 with a specialism in science and music. The Academy is an inclusive, comprehensive school which welcomes applications from all young people as outlined by our published admissions policy.

The charitable company has adopted policies approved by the Secretary of State for Children, Schools and Families. These policies specify, amongst other things, the basis for admitting students to the Academy and that the curriculum should comply with the substance of the national curriculum.

Public Benefit

The Governors of the Academy Trust have complied with their duty to have due regard to the guidance on Public Benefit published by the Charity Commission in exercising their powers and duties. The Ashmole Academy Trust promotes education for the benefit of the local community in Southgate. In addition to the education activities for the pupils, the Academy Trust offers recreational and other facilities to a variety of local community groups outside of school hours for the benefit of the general public. The usage of these facilities has grown during the year. Community based projects are also undertaken during the year by staff and students which further enhances the public benefit.

STRATEGIC REPORT

Achievements and Performance

Details of the academic performance of Ashmole Academy can found in its prospectus or on its website.

Key Financial Performance Indicators

The Academy Trust uses a number of financial key performance indicators to monitor financial success of the Academy Trust and progress/improvement against the targets set.

Staffing costs are monitored as a percentage of total income (excluding fixed assets). For the year ended 31 August 2016 staffing costs amounted to 73.6% of total income (2015: 77%).

Total income per pupil decreased to £5,295 (2015: £5,512) with learning costs per pupil at £368 (2015: £466).

ASHMOLE ACADEMY TRUST LIMITED
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Going Concern

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

FINANCIAL REVIEW

The Academy's total incoming resources for the year ended 31 August 2015 amounted to £9,724,839 (2015: £9,452,433).

In this the sixth year of operation of the Academy, EFA General Annual Grant (GAG) funding totalling £7,638,967 (2015: £7,710,830) was received. The remaining income comprised other government grant funding totalling £1,058,528 (2015: £680,640), interest receivable £1,980 (2015: £2,727) and other income of £931,224 (2015: £1,025,364).

At 31 August 2016, the net book value of fixed assets was £14,366,305 (2015: £14,744,789), and depreciation of £414,153 (2015: £416,020) has been charged in the financial statements.

The main GAG and other grant related expenditure has been funded through in year income.

The Academy held fund balances at 31 August 2016 of £11,120,710 (2015: £13,326,710), of which £11,028,682 (2015: £13,099,791) are restricted in nature and £92,028 (2015: £226,919) unrestricted.

Reserves Policy

It is the Trustees' objective to maintain a structure of prudent financial management. To this end we aim to carry forward an amount that is no more than the maximum allowable of the Academy's allocated GAG funding, so that the Academy can best protect and plan its current and future operating activities.

Reserves are intended to ensure that the Academy is equipped with enough high quality equipment to meet its aims and to ensure that a robust maintenance and renewal programme can be planned and carried out. The Trustees will keep the level of reserves under review.

The deficit in the Pension Reserve is addressed in note 20 to the financial statements.

At 31 August 2016 the total funds comprised:

Unrestricted	£92,028
Restricted: Fixed asset funds	£14,610,215
Other	£2,467
Pension reserve	<u>(£3,584,000)</u>
Total	<u>£11,120,710</u>

The deficit on the pension reserve relates to the non teaching staff pension scheme where, unlike the teachers scheme, separate assets are held to fund future liabilities as discussed in note 20. The deficit can be met in the longer term from any combination of increased employer or employee contributions, increased government funding or changes to scheme benefits. The restricted funds will be spent in accordance with the terms of the particular funds. Unrestricted funds are for use on the general purposes of the Academy, at the discretion of the Governors. The aim of the Governors is to increase this reserve to meet future working capital requirements.

Investment Policy

Due to the nature of funding, the Academy may at times hold cash balances surplus to its short term requirements. The governors have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

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

Principal Risks and Uncertainties

Outlined below is a description of the principal risk factors that may affect the Academy. Not all the factors are within the Academy's control. Other factors besides those listed below may also adversely affect the Academy.

1. Government funding

The Academy has considerable reliance on continued government funding through the EFA. In 2015/16, 89.4% (2014/15: 90.4%) of the Academy's revenue was ultimately public funded and this level of requirement is expected to continue. There can be no assurance that government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

This risk is mitigated in a number of ways:

- Funding is derived through a number of direct and indirect contractual arrangements
- By ensuring the Academy is rigorous in delivering high quality education and training
- Considerable focus and investment is placed on maintaining and managing key relationships with the EFA.

2. Maintain adequate funding of pension liabilities.

The financial statements report the share of the pension scheme deficit on the Academy's balance sheet in line with the requirements of FRS 102.

The Academy Trust practices through its Board, namely the Governing Body and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The Governing Body accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the Governing Body collectively, whilst more minor risks are dealt with by senior executive officers.

PLANS FOR FUTURE PERIODS

The school has a comprehensive three year plan, a copy of which is available. The school intends to implement the plan and its actions as specified within the plan. As part of the change to a Multi Academy Trust, the Trust opened Ashmole Primary School on the 1st September 2016 with 60 children starting in Reception.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Governors hold no funds on behalf of others as Custodian trustees.

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

AUDITOR

In so far as the trustees are aware:

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

The auditor, MHA MacIntyre Hudson, has indicated their willingness and ability to continue in office. The Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

The Trustees' Report, incorporating a Strategic Report, was approved by order of the board of trustees, as the company directors, on 15/12/16 and signed on the board's behalf by:



Mr Stuart Dixon
Chair of Trustees

ASHMOLE ACADEMY TRUST LIMITED
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to Mr Derrick Brown, 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 Ashmole Academy Trust Limited and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
Mrs Gonul Daniels	4	4
Mr Stuart Dixon, Chair of Trustees	3	4
Mr Mark Mishon	2	2
Ms Allison Walling	2	2
Mr Anthony Ugorji	2	2
Mr Rudi Ramdarshan	4	4
Dr Alan Davison	2	2
Ms Christina Mousicos	2	2
Ms Carolyn Barnes	2	2
Ms Gina Cooper	2	2
Mr Christopher Ray	2	2
Mr Michael Antoniou	2	2
Ms Nicola Stapleton	2	2
Ms Lisa Rutter, Councillor	2	2
Mr Emanuele Vadilonga	4	4
Mrs Joanna Tambourides	2	2
Mr Marinos Onissiphorou	2	2
Mr Derrick Brown, Head Teacher and Accounting Officer	4	4
Ms Madeleine Betton	2	2
Mr Jon Bradbury	2	2
Mrs Sue Willmott	1	1

The governors are committed to a process of continuous improvement to maintain their effectiveness. They have started a process to carry out a review of the roles and skills of the governors to help inform future training. This also forms part of the ongoing governor recruitment process.

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GOVERNANCE STATEMENT (continued)

The Finance and Audit Committee is a sub-committee of the main Board of Trustees.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Ron Hawksby	1	1
Mr Stewart Dixon	1	1
Mrs Christina Mousicos	1	1
Mr Derrick Brown, Head Teacher and Accounting Officer	1	1
Mr Michael Antoniou	1	1
Ms Madeleine Betton	1	1

REVIEW OF VALUE FOR MONEY

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

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

The Trustees acknowledge their responsibility and accountability in the handling of public funds and are committed to achieving Best Value in all decisions made. A Best Value statutory duty is to deliver services to clear standards with continuous improvement covering both quality and cost impacts upon the Academy. Under this duty the Academy has a commitment to deliver services to pupils without discrimination, parents and others in the most effective, economic and efficient means possible.

We strive to ensure that the Academy is using its resources effectively to meet the needs of all students including those identified as pupil premium.

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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Ashmole Academy Trust Limited for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

ASHMOLE ACADEMY TRUST LIMITED
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GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Mr R Ashdown as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the internal auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.


REVIEW OF EFFECTIVENESS


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

- the work of the internal auditor;
- the work of the external auditors;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance 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 board of trustees on 15/12/16 and signed on its behalf by:


.....
Mr Stuart Dixon
Chair of Trustees


.....
Derrick Brown
Accounting Officer

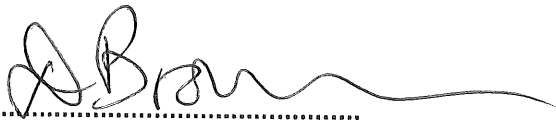
ASHMOLE ACADEMY TRUST LIMITED
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Ashmole Academy Trust Limited 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.



.....
Derrick Brown
Accounting Officer

15/12/16

ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)

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

The Trustees (who act as governors of Ashmole Academy and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report, including the Strategic Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

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


.....
Mr Stuart Dixon
Chair of Trustees

Date: 15/12/16

ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE TRUSTEES OF
ASHMOLE ACADEMY TRUST LIMITED**

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

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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 trust'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.

ASHMOLE ACADEMY TRUST LIMITED
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE TRUSTEES OF
ASHMOLE ACADEMY TRUST LIMITED**

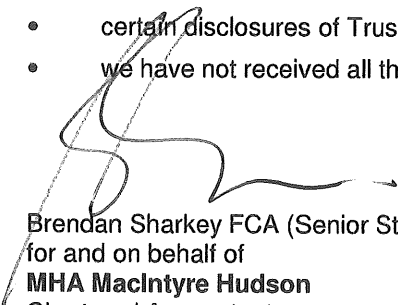
OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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.

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.



Brendan Sharkey FCA (Senior Statutory Auditor)
for and on behalf of
MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Euro House
1394 High Road
London
N20 9YZ

Date: 19th December 2016.

ASHMOLE ACADEMY TRUST LIMITED
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INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ASHMOLE ACADEMY TRUST LIMITED AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 1 September 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Ashmole Academy Trust Limited 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 Ashmole Academy Trust Limited and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Ashmole Academy Trust Limited 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 Ashmole Academy Trust Limited and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF ASHMOLE ACADEMY TRUST LIMITED'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Ashmole Academy Trust Limited's funding agreement with the Secretary of State for Education dated 27 September 2010, 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 trust's income and expenditure.

ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ASHMOLE ACADEMY TRUST LIMITED AND THE EDUCATION FUNDING AGENCY (continued)

The work undertaken to draw to our conclusion includes:

- reviewing the Minutes of the meetings of the Governing Body and other evidence made available to us, relevant to our consideration of regularity
- a review of the objectives and activities of the academy, with reference to the income streams and other information available to us as auditors of the academy
- testing of a sample of payroll payments to staff
- testing of a sample of payments to suppliers and other third parties
- testing of a sample of grants received and other income streams
- evaluating the internal control procedures and reporting lines, testing as appropriate and making appropriate enquiries of the Accounting Officer.

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.



Reporting Accountant

MHA MacIntyre Hudson
Chartered Accountants
Statutory Auditors
Euro House
1394 High Road
London
N20 9YZ

Date: 19 December 2016.

ASHMOLE ACADEMY TRUST LIMITED
(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 assets 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	2,662	221,255	279,577	503,494	44,692
Charitable activities	5	517,033	8,349,523	-	8,866,556	9,034,878
Other trading activities	3	352,809	-	-	352,809	370,136
Investments	4	1,980	-	-	1,980	2,727
TOTAL INCOME		874,484	8,570,778	279,577	9,724,839	9,452,433
EXPENDITURE ON:						
Raising funds		54,378	-	-	54,378	59,329
Charitable activities		535,016	9,148,292	414,153	10,097,461	10,059,486
TOTAL EXPENDITURE	6	589,394	9,148,292	414,153	10,151,839	10,118,815
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	16	285,090 (419,981)	(577,514) 419,981	(134,576) -	(427,000) -	(666,382) -
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		(134,891)	(157,533)	(134,576)	(427,000)	(666,382)
Actuarial losses on defined benefit pension schemes	20	-	(1,779,000)	-	(1,779,000)	-
NET MOVEMENT IN FUNDS		(134,891)	(1,936,533)	(134,576)	(2,206,000)	(666,382)
RECONCILIATION OF FUNDS:						
Total funds brought forward		226,919	(1,645,000)	14,744,791	13,326,710	13,993,092
TOTAL FUNDS CARRIED FORWARD		92,028	(3,581,533)	14,610,215	11,120,710	13,326,710

The notes on pages 20 to 41 form part of these financial statements.

ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)
REGISTERED NUMBER: 07375627

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	12		14,366,305		14,744,789
Investments	13		2		2
			14,366,307		14,744,791
CURRENT ASSETS					
Debtors	14	1,080,798		415,280	
Cash at bank and in hand		309,311		382,646	
		1,390,109		797,926	
CREDITORS: amounts falling due within one year	15	(1,051,706)		(571,007)	
NET CURRENT ASSETS			338,403		226,919
TOTAL ASSETS LESS CURRENT LIABILITIES			14,704,710		14,971,710
Defined benefit pension scheme liability	20		(3,584,000)		(1,645,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			11,120,710		13,326,710
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	16	2,467		-	
Restricted fixed assets	16	14,610,215		14,744,791	
Restricted income funds excluding pension liability		14,612,682		14,744,791	
Pension reserve		(3,584,000)		(1,645,000)	
Total restricted income funds			11,028,682		13,099,791
Unrestricted income funds	16		92,028		226,919
TOTAL FUNDS			11,120,710		13,326,710

The financial statements were approved by the Trustees, and authorised for issue, on 15/12/16 and are signed on their behalf, by:


Mr Stuart Dixon
Chair of Trustees

The notes on pages 20 to 41 form part of these financial statements.

ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	18	(39,646)	62,618
Cash flows from investing activities:			
Dividends, interest and rents from investments		1,980	2,727
Purchase of tangible fixed assets		(35,669)	(115,844)
Net cash used in investing activities		(33,689)	(113,117)
Change in cash and cash equivalents in the year		(73,335)	(50,499)
Cash and cash equivalents brought forward		382,646	433,145
Cash and cash equivalents carried forward	19	309,311	382,646

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 academy trust has a subsidiary undertaking, see note 13. The subsidiary investment is included in the financial statements at £2 cost and is dormant. Group accounts are not prepared.

Ashmole Academy Trust Limited 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 Ashmole Academy Trust Limited 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 Ashmole Academy Trust Limited 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.

Reconciliations to previous UK GAAP for the comparative figures are included in note 24.

1.2 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.

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities Incorporating Income and Expenditure Account when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

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 year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable 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.

The value of donated services and gifts in kind provided to the academy trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities Incorporating Income and Expenditure Account, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's policies.

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 Resources expended

Expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the academy trust's educational operations.

All resources expended are inclusive of irrecoverable VAT.

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

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities 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.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. 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:

Plant and machinery	-	7.1% per annum on a straight line basis
Furniture and equipment	-	20% per annum on a straight line basis
Computer equipment	-	33% per annum on a straight line basis
Freehold land	-	Not depreciated
Freehold property	-	2.2% to 3.3% per annum on a straight line basis

1.6 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.

1.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Statement of Financial Activities Incorporating Income and Expenditure Account.

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.

ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.9 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.

1.10 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.

1.11 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy 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.

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

1. ACCOUNTING POLICIES (continued)

1.12 Fund accounting

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

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

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

Investment income, gains and losses are allocated to the appropriate fund.

1.13 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.

1.14 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.

ASHMOLE ACADEMY TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed assets 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	2,662	-	-	2,662	14,170
Capital Grants	-	221,255	279,577	500,832	30,522
	<u>2,662</u>	<u>221,255</u>	<u>279,577</u>	<u>503,494</u>	<u>44,692</u>
Total donations and capital grants	2,662	221,255	279,577	503,494	44,692

In 2015, of the total income from donations and capital grants, £14,170 was to unrestricted funds and £30,522 was to restricted funds

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Rental income	175,807	-	175,807	178,312
Other income	37,330	-	37,330	55,805
Music income	65,672	-	65,672	63,314
Shop income	23,197	-	23,197	21,741
Revision courses	50,803	-	50,803	50,964
	<u>352,809</u>	<u>-</u>	<u>352,809</u>	<u>370,136</u>

In 2015, of the total income from other trading activities, £370,163 was to unrestricted funds and £ NIL was to restricted funds.

4. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest receivable	1,980	-	1,980	2,727

In 2015, of the total investment income, £2,727 was to unrestricted funds and £ NIL was to restricted funds.

ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)

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

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)	-	7,638,967	7,638,967	7,710,830
Pupil Premium	-	179,009	179,009	198,447
Other EFA/DfE grants	-	229,580	229,580	289,973
	-	8,047,556	8,047,556	8,199,250
Other government grants				
Special education grants	-	149,107	149,107	161,698
	-	149,107	149,107	161,698
Other funding				
Trip income	-	136,593	136,593	177,096
Other income	-	16,267	16,267	11,880
Catering income	517,033	-	517,033	484,954
	517,033	152,860	669,893	673,930
	517,033	8,349,523	8,866,556	9,034,878

In 2015, of the total income from charitable activities, £484,954 was to unrestricted funds and £8,549,924 was to restricted funds.

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Fundraising expenses	-	-	54,378	54,378	59,329
Educational operations:					
Direct costs	6,142,681	414,153	678,517	7,235,351	7,399,524
Support costs	1,011,915	926,363	923,832	2,862,110	2,659,962
	7,154,596	1,340,516	1,656,727	10,151,839	10,118,815

In 2016, of the total expenditure, £589,391 (2015 - £563,651) was to unrestricted funds and £9,562,446 (2015 - £9,104,144) was to restricted funds.

ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)

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

7. CHARITABLE ACTIVITIES

	Total funds 2016 £	Total funds 2015 £
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Teaching and educational support staff costs	6,070,575	5,954,691
Depreciation	414,153	416,020
Educational consumables	203,790	311,601
Examination fees, educational supplies and services	220,615	215,594
Staff development	19,715	20,135
Other direct costs	172,375	299,667
Trip expenditure	134,128	181,816
	7,235,351	7,399,524
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Support staff costs	1,011,915	966,217
Maintenance of premises and equipment	670,465	478,408
Energy	118,859	125,665
Insurance	40,731	64,246
Catering	482,599	440,093
Cleaning	159,297	158,840
Other support costs	323,456	349,606
Security and transport	11,961	15,729
Governance costs	42,827	61,158
	2,862,110	2,659,962
	10,097,461	10,059,486

No central services charges arose in the year to 31 August 2016 as Ashmole Academy was the only entity in the multi academy trust.

ASHMOLE ACADEMY TRUST LIMITED
(A Company Limited by Guarantee)

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

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	414,153	416,020
Auditors' remuneration - audit	10,000	9,500
Auditors' remuneration - non-audit	4,268	8,504
Responsible officer	1,800	1,800
Operating leases	365,014	344,357
	<u> </u>	<u> </u>

All expenditure relates to Ashmole Academy, which is the only entity in the multi academy trust at 31 August 2016.

ASHMOLE ACADEMY TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	5,509,703	5,650,357
Social security costs	505,473	453,061
Operating costs of defined benefit pension schemes	1,067,314	817,489
	<u>7,082,490</u>	<u>6,920,907</u>
Supply teacher costs	72,106	83,449
	<u>7,154,596</u>	<u>7,004,356</u>

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

	2016 No.	2015 No.
Teachers	85	95
Administration and support	60	72
Management	13	11
	<u>158</u>	<u>178</u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	2	4
In the band £70,001 - £80,000	3	2
In the band £80,001 - £90,000	1	0
In the band £130,001 - £140,000	0	1
In the band £150,001 - £160,000	1	0

5 of the above employees participated in the Teacher's Pension Scheme (2015:5). During the year ended 31 August 2016, pension contributions for these staff amounted to £56,304 (2015: £62,924).

One of the above employees participated in the Local Government Pension Scheme in (2015:1). During the year ended 31 August 2016, pension contributions for this member of staff amounted to £18,137 (2015: £16,448).

The Key Management Personnel of the academy trust comprise the trustees and the the Senior Management Team as listed on page 1.

The total amount of employee benefits (including employer pension contributions) received by Key Management Personnel in the year to 31 August 2016 comprises: £537,137 (2015 - £463,234) received by the Senior Management Team for their services to the Academy Trust; and employee benefits (including employer pension contributions) recieved by the Trustees for their services to the Academy Trust as disclosed in note 10.

The Head teacher and Carolyn Barnes are members of both the Senior Management Team and Trustees.

ASHMOLE ACADEMY TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

10. TRUSTEES' REMUNERATION AND EXPENSES

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

		2016	2015
		£	£
Mr Derrick Brown, Head Teacher and Accounting Officer	Remuneration	150,000-155,000	130,000-135,000
Ms Gina Cooper	Remuneration	0-5,000	25,000-30,000
	Pension contributions paid	0-5,000	0-5,000
Ms Carolyn Barnes	Remuneration	80,000-85,000	0-5,000
	Pension contributions paid	10,000-15,000	5,000-10,000
Mrs S Willmott	Remuneration	5,000-10,000	
	Pension contributions paid	0-5,000	

During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

11. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2016 is not separately identifiable.

ASHMOLE ACADEMY TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

12. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 September 2015	15,979,149	490,938	46,695	157,806	16,674,588
Additions	-	7,490	28,179	-	35,669
At 31 August 2016	15,979,149	498,428	74,874	157,806	16,710,257
Depreciation					
At 1 September 2015	1,651,602	177,091	35,974	65,132	1,929,799
Charge for the year	335,403	41,829	13,752	23,169	414,153
At 31 August 2016	1,987,005	218,920	49,726	88,301	2,343,952
Net book value					
At 31 August 2016	13,992,144	279,508	25,148	69,505	14,366,305
At 31 August 2015	14,327,547	313,847	10,721	92,674	14,744,789

Included in freehold property above are land and buildings at a NBV of £13,992,144, which were previously valued on 1 September 2010 by Maunder Taylor Chartered Surveyors for £15,725,000 at their open market value. Freehold land included at £1,500,000 is not depreciated.

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

13. FIXED ASSET INVESTMENTS

**Shares in
group
undertakings
£**

Market value

At 1 September 2015 and 31 August 2016

2

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name

Holding

The Ashmole Academy Trading Company Limited

100%

The aggregate of the share capital and reserves as at 31 August 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(loss) £
The Ashmole Academy Trading Company Limited	2	-

Valuation

The Academy owns 100 per cent of the issued £1 shares of The Ashmole Academy Trading Company Limited, a company incorporated in England and Wales. The principal business activity of the Ashmole Academy Trading Company Limited is business support services. The interest in the Ashmole Academy Trading Company Limited was acquired on 14 September 2010 on its incorporation. The company was dormant throughout the year. The company is not consolidated into the financial statements of Ashmole Academy Trust Limited.

14. DEBTORS

	2016 £	2015 £
Trade debtors	6,726	5,095
VAT	88,399	47,942
Other debtors	2,200	6,320
Prepayments and accrued income	983,473	355,923
	1,080,798	415,280

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

15. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	330,102	360,886
Taxation and social security	145,918	130,571
Other creditors	100,602	387
Accruals and deferred income	475,084	79,163
	<u>1,051,706</u>	<u>571,007</u>
Other taxation and social security		
	2016 £	2015 £
PAYE/Ni control	<u>145,918</u>	<u>130,571</u>
Deferred income		
	2016 £	2015 £
Deferred income at the beginning of the year	3,525	4,320
Resources deferred during the year	4,331	3,525
Amounts released from previous years	<u>(3,525)</u>	<u>(4,320)</u>
Deferred income at 31 August 2016	<u>4,331</u>	<u>3,525</u>

Deferred income held at 31 August 2016 represents funds received in advance.

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

16. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General unrestricted funds	226,919	874,484	(589,394)	(419,981)	-	92,028
Restricted funds						
GAG	-	7,638,967	(7,933,817)	294,850	-	-
Other restricted grants	-	408,588	(522,075)	113,487	-	-
Trip income	-	136,593	(134,126)	-	-	2,467
Other restricted income	-	386,630	(398,274)	11,644	-	-
Pension reserve	(1,645,000)	-	(160,000)	-	(1,779,000)	(3,584,000)
	<u>(1,645,000)</u>	<u>8,570,778</u>	<u>(9,148,292)</u>	<u>419,981</u>	<u>(1,779,000)</u>	<u>(3,581,533)</u>
Restricted fixed asset funds						
DfE capital grant	421,696	279,577	(87,221)	-	-	614,052
Assets transferred on conversion	14,323,095	-	(326,932)	-	-	13,996,163
	<u>14,744,791</u>	<u>279,577</u>	<u>(414,153)</u>	<u>-</u>	<u>-</u>	<u>14,610,215</u>
Total restricted funds	<u>13,099,791</u>	<u>8,850,355</u>	<u>(9,562,445)</u>	<u>419,981</u>	<u>(1,779,000)</u>	<u>11,028,682</u>
Total of funds	<u>13,326,710</u>	<u>9,724,839</u>	<u>(10,151,839)</u>	<u>-</u>	<u>(1,779,000)</u>	<u>11,120,710</u>

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

All funds relate to Ashmole Academy, which was the only entity in the multi academy trust at 31 August 2016.

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State for Education, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

The other restricted funds relate to various school and educational activities which are not funded by the General Annual Grant. This includes school trips, sports bursary for which income received is used to cover costs associated with these activities.

The defined benefit pension scheme relates to the pension deficit arising on the LGPS pension scheme. The fund is in deficit, but given the nature of the liability, this is not payable immediately.

ASHMOLE ACADEMY TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

16. STATEMENT OF FUNDS (continued)

The transfer between the unrestricted funds and General Annual Grant fund and other restricted funds of £419,981 represents amounts expensed during the year from unrestricted funds to meet educational expenditure in restricted funds.

The restricted fixed asset fund was funded predominantly by the funds inherited on conversion to the Academy from the local authority following the transfer of the land and buildings.

The difference of £243,908 between restricted fixed asset funds and the net book value of fixed assets represents capital income not yet spent.

17. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed assets 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	14,366,305	14,366,305	14,744,789
Fixed asset investments	-	-	2	2	2
Current assets	92,028	1,054,173	243,908	1,390,109	797,927
Creditors due within one year	-	(1,051,706)	-	(1,051,706)	(571,008)
Pension scheme liability	-	(3,584,000)	-	(3,584,000)	(1,645,000)
	<u>92,028</u>	<u>(3,581,533)</u>	<u>14,610,215</u>	<u>11,120,710</u>	<u>13,326,710</u>

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

	2016 £	2015 £
Net expenditure for the year (as per Statement of financial activities)	(427,000)	(666,382)
Adjustment for:		
Depreciation charges	414,153	416,020
Dividends, interest and rents from investments	(1,980)	(2,727)
(Increase)/decrease in debtors	(665,518)	166,822
Increase in creditors	480,699	49,885
FRS102 pension adjustment	160,000	99,000
Net cash (used in)/provided by operating activities	<u>(39,646)</u>	<u>62,618</u>

ASHMOLE ACADEMY TRUST LIMITED
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

19. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016	2015
	£	£
Cash at bank and in hand	309,311	382,646
Total	309,311	382,646

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

20. PENSION COMMITMENTS

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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 £605,602 (2015 - £524,397).

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NOTES TO THE FINANCIAL STATEMENTS
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20. PENSION COMMITMENTS (continued)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £387,000 (2015 - £375,000), of which employer's contributions totalled £303,000 (2015 - £295,000) and employees' contributions totalled £84,000 (2015 - £80,000). The agreed contribution rates for future years are 20.6% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.00 %	4.00 %
Rate of increase in salaries	4.10 %	4.40 %
Rate of increase for pensions in payment / inflation	2.10 %	2.60 %
Commutation of pensions to lump sums (pre April 2008)	50.00 %	50.00 %
Commutation of pensions to lump sums (post April 2008)	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	24.4	24.4
Retiring in 20 years		
Males	24.2	24.2
Females	26.8	26.8

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

20. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	1,910,000	1,245,000
Debt instruments	578,000	594,000
Cash	25,000	13,000
Gilts	-	1,000
Total market value of assets	2,513,000	1,853,000

The actual return on scheme assets for the period from 1 September 2015 to 31 March 2016 was 3.7%.

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

	2016 £	2015 £
Net interest cost	(68,000)	(60,000)
Current service cost	(395,000)	(334,000)
Total	(463,000)	(394,000)

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

	2016 £	2015 £
Opening defined benefit obligation	3,498,000	3,205,000
Interest cost	146,000	129,000
Contributions by employees	84,000	80,000
Actuarial losses/(gains)	2,152,000	(72,000)
Current service costs	395,000	334,000
Benefits paid	(178,000)	(178,000)
Closing defined benefit obligation	6,097,000	3,498,000

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FOR THE YEAR ENDED 31 AUGUST 2016

20. PENSION COMMITMENTS (continued)

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

	2016 £	2015 £
Opening fair value of scheme assets	1,853,000	1,659,000
Interest income	78,000	69,000
Actuarial gains and (losses)	373,000	(72,000)
Contributions by employer	303,000	295,000
Contributions by employees	84,000	80,000
Benefits paid	(178,000)	(178,000)
	<hr/>	<hr/>
Closing fair value of scheme assets	2,513,000	1,853,000
	<hr/>	<hr/>

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	355,388	349,084
Between 1 and 5 years	434,748	737,117
	<hr/>	<hr/>
Total	790,136	1,086,201
	<hr/>	<hr/>

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.

Mrs L Rutter acted as a Councillor for the London Borough of Barnet during the year. In her capacity as Councillor, she was not directly involved in making decisions relating to transactions with the Academy. Therefore, no transactions with London Borough of Barnet need to be disclosed in respect of the Academy.

The Ashmole Trading Company Limited is a wholly owned subsidiary of Ashmole Academy. As at the balance sheet date, the Academy has 2 Ordinary shares in the company that were unpaid. The company remained dormant throughout the year and prior year.

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

23. COMPANY LIMITED BY GUARANTEE

The Academy Trust is a company limited by guarantee and does not have share capital.

24. 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.

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014	31 August 2015
		£	£
Total funds under previous UK GAAP		13,993,092	13,326,710
Total funds reported under FRS 102		<u>13,993,092</u>	<u>13,326,710</u>

Reconciliation of net (expenditure)	Notes	31 August 2015
		£
Net (expenditure) previously reported under UK GAAP		(631,382)
Defined benefit pension scheme finance cost	A	(35,000)
Net movement in funds reported under FRS 102		<u>(666,382)</u>

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

A	The date of transition to FRS102 was 1 September 2014. There were no adjustments arising on transition to FRS102 that had an effect on the net reserves or on income and expenditure at the date of transition, at 31 August 2015 or 31 August 2016. No reconciliation is therefore provided and the figures disclosed in accordance with the previous financial reporting framework and those determined in accordance with FRS 102 for the same period other than a reconciliation to the presentation of net pension interest of £35,000 as a component of income and re-allocation of pension interest in accordance with FRS 102.
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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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.