

Registered number: 08524638

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2014**

Trustees

A Barton, Chair of Trustees (appointed 18 November 2013)¹
C Beazeley, Head Teacher (resigned 30 April 2014)¹
D Bryant¹
D Churchill¹
B Debenham, Chair of Trustees (resigned 18 November 2013)¹
L Judd, Staff Trustee
C Lee
A Mauger
J Miller, Head Teacher (appointed 1 May 2014, resigned 31 August 2014)¹
T O'Hara
R Patel
A Plumstead, Staff Trustee
H Simmons
S Taggart, Headteacher and Accounting Officer (appointed 1 September 2014)¹
D Thomas, Incumbent
D Webb¹

Members

E Grimble, The Parochial Church Council of the Ecclesiastical Parish of St Mary's Shenfield
Reverend T Elbourne, The Chelmsford Diocese Educational Trust
A Barton, Chair of Directors (appointed 18 November 2013)
D Debenham (resigned 18 November 2013)
Reverend D Thomas, Incumbent

¹ Members of the Finance and Audit Committee

Company registered number

08524638

Principal and registered office

Hall Lane, Shenfield, Brentwood, Essex, CM15 9AL

Chief executive officer

S Taggart

Senior management team

C Beazeley (until 30 April 2014), Headteacher
J Miller (from 1 May 2014 to 31 August 2014), Headteacher
S Taggart (from 1 September 2014), Headteacher
J Ibrahim (until 31 August 2014), Deputy Headteacher
D McAdams (from 1 September 2014), Deputy Headteacher
A Pratten, School Business Manager

Independent auditors

Landau Baker Limited, Mountcliff House, 154 Brent Street, London, NW4 2DR

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2014**

Administrative details (continued)

Bankers

Lloyds Bank, PO Box 1000, BX1 1LT

Solicitors

Lee Bolton Monier-Williams, 1 The Sanctuary, Westminster, London, SW1P 3JT

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TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2014

The trustees present their report together with the audited financial statements of the Academy for the period from 10 May 2013 to 31 August 2014. The annual report serves the purposes of both a trustees' report and a directors' report under company law. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in 2005 in preparing the annual report and financial statements of the charity.

The trust operates an academy for pupils aged 4 to 11 in Shenfield, Essex. The academy, Shenfield St Mary's Church of England Primary School, has a pupil capacity of 392 and had a roll of 387 in the school census in January 2014.

Structure, governance and management

a. CONSTITUTION

The academy trust is a company limited by guarantee and an exempt charity. It was incorporated on 10 May 2013 and in terms of a Funding Agreement entered into with the Secretary of State for Education, became an Academy on 1 June 2013. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy.

All but two of the trustees of Mid Essex Anglican Academy Trust are also the directors of the Charitable Company for the purposes of company law.

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

b. 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.

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The directors are appointed under the terms of the Academy's articles of association:

- The Chelmsford Diocese Educational Trust shall appoint three directors
- The Parochial Church Council of the Ecclesiastical Parish of St Mary's Shenfield shall appoint four directors
- A minimum of two elected parent directors
- Up to two staff directors

In addition the members appoint the Headteacher and Incumbent as ex-officio directors. The term of office for any director shall be four years. The Headteacher's term of office runs parallel with her contract of employment.

d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

During the period under review the trustees held four meetings. The training and induction provided for new trustees will depend on their existing experience. Where necessary an induction will provide training on charity and educational legal and financial matters. All new trustees are given a tour of the Academy and the chance to meet with staff and students. All trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as trustees and directors of the

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

Charitable Company.

e. ORGANISATIONAL STRUCTURE

The Charitable Company has established a management structure to enable its efficient running. The structure consists of two levels: the trustees and the executive who are the senior leadership team.

The governing body has considered its role thoughtfully and decided that the role of the trustees is to approve the strategic direction and objectives of the Charitable Company and monitor its progress towards these objectives.

The governing body has approved a scheme of delegation which sets out a statement on the system of internal control and delegated responsibilities. There are also standing orders for the governing body and terms of reference for committees.

Trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the Charitable Company by use of budgets and making major decisions about the direction of the Charitable Company, including capital expenditure and senior staff appointments.

The senior leadership team controls the academy at an executive level, implementing policies and reporting to the Governing Body. The team is responsible for the day to day operation of the academy, in particular organising staff, resources and teaching and learning. The Headteacher is the Accounting Officer.

f. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The trustees do not consider that there are any connected organisations or related party relationships that impact on the operating policies of the academy trust.

g. RISK MANAGEMENT

The Academy maintains a risk register identifying the major risks to which the academy is exposed, and identifying actions and controls to mitigate those risks. The register covers risks associated with the following areas:

- Strategic and reputational
- Operational
- Compliance
- Financial
- Curriculum and teaching
- Information technology
- Property and facilities

The register is approved and monitored by the Governing Body. The Academy has an effective system of internal financial controls and this is explained in more detail in the statement on internal control.

h. TRUSTEES' INDEMNITIES

Subject to the provisions of the Companies Act, every trustee or other officer of the charitable company shall be indemnified out of the assets of the charitable company against any liability incurred by them in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which they are acquitted or in connection with any application in which relief is granted to them by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Charitable Company.

Objectives and Activities

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

a. OBJECTS AND AIMS

The principal object of the Charitable Company is to advance for the public benefit education by establishing, maintaining, carrying on, managing and developing academies which shall offer a broad and balanced curriculum. The principal activity of the Charitable Company is the operation of Shenfield St Mary's Church of England Primary School to provide education in the parish of Shenfield, with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship and having regard to any advice issued by the Diocesan Board of Education.

In accordance with the articles of association the Charitable Company has adopted a "Scheme of Government" approved by the Secretary of State for Education. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The main objectives of the Academy during the period ended 31 August 2014 are summarised below:

- to ensure that children understand and reflect Christian values in the way that they value themselves, develop attitudes to and relationships with others and care for the world around them
- to maximise achievement for pupils and ensure all make good progress
- to ensure children enjoy an exciting and relevant curriculum that helps them to learn
- to support pupils to develop personal, learning and thinking skills for life
- to work effectively with parents as partners in their child's education
- to make effective, efficient and responsible use of human, physical and financial resources
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

c. ACTIVITIES FOR ACHIEVING OBJECTIVES

The strategies for achieving the objectives are as follows:

- explore and develop the possibilities provided by technology for engaged and collaborative learning
- continue to improve assessment practices to maximise progress
- review and establish approaches to a high quality and broad curriculum

d. PUBLIC BENEFIT

In setting the objectives, the governors have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on advancing education.

Achievements and performance

a. GOING CONCERN

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy 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 Accounting Policies.

b. KEY FINANCIAL PERFORMANCE INDICATORS

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014

The academy monitors financial performance using the following performance indicators:

- Staffing costs as a percentage of total income and of total expenditure.
- Operational surplus or deficit as a percentage of total income.
- Maintenance of a cash balance of at least one month's expended resources.
- Current asset to current liabilities ratio.

c. REVIEW OF ACTIVITIES

Educational performance

EYFS

Good Learning Development = 71%

Phonics

2014	School	National Average
Year 1	63%	74%
Year 2 – Re-takes	17%	66%
Year 2 – Taken for the first time	100%	55%

KS1

2014	% 2c+	% 2b+	% 3c+		Nat 2014	% 2c+	% 2b+	% 3c+
Reading	95%	93%	55%		Reading	90%	81%	31%
Writing	96%	89%	41%		Writing	86%	70%	16%
Maths	100%	93%	39%		Maths	92%	80%	24%

KS2

Combined level 4 in Reading, Writing and Maths 95%

Combined level 5 in Reading, Writing and Maths 46%

2014	% 4c+	% 5c+	% 6c+		Nat 2014	% 4c+	% 5c+	% 6c+
Reading	95%	70%	2%		Reading	89%	50%	0%
EGPS	86%	66%	12.5%		EGPS	76%	52%	4%
Writing	95%	57%	9%		Writing	85%	33%	2%
Maths	95%	68%	30%		Maths	86%	42%	9%

Progress at the end of Year 6

2014	2 levels	3 levels		Nat 2014	2 levels	3 levels
Reading	93%	33%		Reading	91%	35%
Writing	98%	49%		Writing	93%	33%
Maths	96%	56%		Maths	89%	35%

d. ACHIEVEMENTS

The academy has made a successful transition from being a maintained Voluntary Aided school to becoming an academy.

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TRUSTEES' REPORT (continued)
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Financial review

a. FINANCIAL REVIEW

The Charitable Company was incorporated on 10 May 2013 and commenced operating as an Academy school on 1 June 2013. No activities were carried on by the company from the date of incorporation until 1 June 2013 when the net assets of Shenfield St Mary's Church of England Voluntary Aided Primary School were transferred to the Charitable Company.

Most of the Academy's income is obtained from the Education Funding Agency in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2014 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Academy also received capital funding from the EFA. In accordance with the Charities Statement of Recommended Practice, "Accounting for Reporting by Charities" (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

Under the Charities SORP, it is necessary to charge projected deficits on the Local Government Pension Scheme, which is provided to support staff, to a restricted fund. This results in reducing reserves shown in the total funds of the Academy. It should be noted that this does not present the Academy with any current liquidity problem. The employer contributions are currently being assessed and it is expected that they will increase to bring a further reduction in this pension deficit in future, although this may not be achieved until stock market investment values start to recover.

b. RESERVES POLICY

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. The governors will keep this level of reserves under review.

Reserves at the end of the period amounted to £1,349,574.

c. INVESTMENTS POLICY

In accordance with the Articles of Association the Academy may invest any funds of the company not immediately required for the furtherance of its object.

Plans for future periods

a. FUTURE DEVELOPMENTS

Shenfield St Mary's Church of England Primary School will be focussing on building on its many strengths across the curriculum, relationships with key stakeholders and social, moral, spiritual and cultural development. The school leadership team has undergone many changes and the community needs to work together to create a clear and consistent whole school mission, vision and values. The following key areas will be addressed:

- To build leadership capacity at all levels.
- To improve rates of progress in reading, including phonics.
- To develop a cohesive school community.

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TRUSTEES' REPORT (continued)
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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.

This report was approved by order of the board of trustees on 11/12/14 and signed on the board's behalf by:

A Barton, Chair of Trustees



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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Mid Essex Anglican Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The board of trustees has formally met 4 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
A Barton, Chair of Trustees	4	4
C Beazeley, Head Teacher	3	3
D Bryant	2	4
D Churchill	4	4
B Debenham, Chair of Trustees	2	4
L Judd, Staff Trustee	3	4
C Lee	2	4
A Mauger	4	4
J Miller, Head Teacher	1	1
T O'Hara	4	4
R Patel	3	4
A Plumstead, Staff Trustee	4	4
H Simmons	3	4
D Thomas, Incumbent	4	4
D Webb	3	4

The Governing Body of the predecessor school reviewed the governance structure and composition of the Governing Body prior to conversion to academy status on 1 June 2013, so that an effective body would be in place for the academy in terms of skills, leadership and impact. The GB has commissioned an external review of governance to be carried out in Spring 2015. The trustees held a session to review their roles, responsibilities and effectiveness in Summer 2014.

The Finance and Audit committee is a sub-committee of the main board of trustees. Its purpose is:
To recommend to the Full Governing Body approval of the annual budget plan and cash flow forecasts for the forthcoming financial year in accordance with the timescales dictated by the Education Funding Agency

To determine the school's financial priorities in accordance with the School Development Plan (SDP) and the Premises Maintenance and Development Plan (PMDP).

To receive monthly management reports, to facilitate the monitoring of the school's actual financial performance compared with budgeted priorities and cash flow, and to take remedial action as necessary. Such action will be reported to the Governing Body. In all cases liaison must be maintained with other appropriate committees.

To review and monitor budget projections / medium term financial plans to ensure the school's budget is realistic and any financial decisions are sustainable.

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GOVERNANCE STATEMENT (continued)

To review annually the school's Financial Regulations and Scheme of Delegation.

To monitor all spending and income received in the school i.e. EFA Academy Funding, Devolved Formula Capital, Grant funding and voluntary donations.

To ensure that funding from all sources is used only in accordance with any conditions attached.

Advise the governing body on the adequacy and effectiveness of the school's systems of internal control and its arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money)

To ensure that all financial controls are adhered to via regular testing and management checks in order to protect against fraudulent or improper use of public money and assets, meeting requirements of the Academies Financial Handbook.

To advise the governing body and trust members on the appointment, reappointment, dismissal and remuneration of auditors (both external auditors and internal audit)

To receive and consider the reports of the auditors, monitor the implementation of the agreed action plan and advise the governing body of material controls issues.

To recommend the annual audited financial statements to the Governing Body and Academy Trust for approval.

To annually review all material on going contracts.

To review the insurance requirements of the school and make recommendations to governors as necessary

To review the various leasing agreement schemes and options available to the school.

To award contracts by tender up to a specified limit.

To make decisions on requests from other committees that will have an impact on the school's financial position.

To agree and determine appropriate charges for lettings of the premises, in line with the school's lettings policy.

To make decisions on expenditure within the Committee's delegated powers.

To make decisions on virements within agreed budgets, within the Committee's delegated powers, and authorising any budgetary adjustments made.

To advise the Governing Body on the appropriateness, or otherwise, of virements to be made outside of the Committee's delegated powers.

To review appropriate financial benchmarking data, in order to compare the school's financial performance with other similar schools.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
A Barton	4	4
C Beazeley	3	3
D Bryant	2	3
D Churchill	3	4
B Debenham	2	4

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GOVERNANCE STATEMENT (continued)

J Miller	1	1
D Webb	1	1

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 Mid Essex Anglican Academy Trust for the period 1 June 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the period 1 June 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

The academy'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 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 board of trustees has considered the need for a specific internal audit function and has decided to appoint Essex Education Finance Support as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy'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, the Headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the internal auditor;
- 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.

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GOVERNANCE STATEMENT (continued)

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 11 December 2014 and signed on its behalf, by:

A Barton, Chair of Trustees



S Taggart, Headteacher and Accounting Officer



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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Mid Essex Anglican Academy Trust I have considered my responsibility to notify the academy 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 and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

**S Taggart, Headteacher and
Accounting Officer**



Date: 11 December 2014

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**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2014**

The Trustees (who act as governors of Shenfield St Mary's C of E Primary School and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction 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 period. 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 11/12/14 and signed on its behalf by:



A Barton, Chair of Trustees

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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF MID ESSEX ANGLICAN
ACADEMY TRUST**

We have audited the financial statements of Mid Essex Anglican Academy Trust for the period ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement 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) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the academy'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'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 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 Trustees' responsibilities statement, 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 academy's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 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 for the financial period for which the financial statements are prepared is consistent with the financial statements.

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**INDEPENDENT AUDITORS' REPORT TO THE BOARD OF TRUSTEES OF MID ESSEX ANGLICAN
ACADEMY TRUST**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

 for Landau Baker Limited

Michael Durst (Senior statutory auditor)

for and on behalf of

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR
Date:

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO MID ESSEX
ANGLICAN ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 15 July 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Mid Essex Anglican Academy Trust during the period 1 June 2013 to 31 August 2014 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 Mid Essex Anglican Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Mid Essex Anglican Academy Trust and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Mid Essex Anglican Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF MID ESSEX ANGLICAN ACADEMY TRUST'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Mid Essex Anglican Academy Trust's funding agreement with the Secretary of State for Education dated 1 June 2014, and the Academies Financial Handbook extant from 1 September 2013, 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 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 June 2013 to 31 August 2014 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 2013 to 2014 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 June 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO MID ESSEX
ANGLICAN ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

WJF for Landau Baker Limited

Michael Durst (Senior statutory auditor)

Landau Baker Limited

Chartered Accountants
Statutory Auditors

Mountcliff House
154 Brent Street
London
NW4 2DR

11 December 2014

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE PERIOD ENDED 31 AUGUST 2014

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	226,986	(257,070)	1,339,193	1,309,109
Activities for generating funds	3	14,277	117,666	-	131,943
Investment income	4	614	-	-	614
Incoming resources from charitable activities	5	-	1,831,837	53,657	1,885,494
TOTAL INCOMING RESOURCES		241,877	1,692,433	1,392,850	3,327,160
RESOURCES EXPENDED					
Charitable activities		1,912	1,947,025	43,276	1,992,213
Governance costs	6	-	14,916	-	14,916
TOTAL RESOURCES EXPENDED	9	1,912	1,961,941	43,276	2,007,129
NET INCOMING / (OUTGOING) RESOURCES BEFORE REVALUATIONS		239,965	(269,508)	1,349,574	1,320,031
Actuarial gains and losses on defined benefit pension schemes		-	(74,000)	-	(74,000)
NET MOVEMENT IN FUNDS FOR THE PERIOD		239,965	(343,508)	1,349,574	1,246,031
<i>Total funds at 1 June 2013</i>		-	-	-	-
TOTAL FUNDS AT 31 AUGUST 2014		239,965	(343,508)	1,349,574	1,246,031

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 22 to 40 form part of these financial statements.

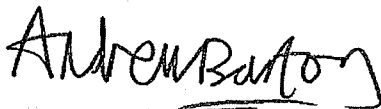
MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08524638

BALANCE SHEET
AS AT 31 AUGUST 2014

	Note	£	2014 £
FIXED ASSETS			
Tangible assets	16		1,347,949
CURRENT ASSETS			
Debtors	17	40,775	
Cash at bank		369,398	
		<u>410,173</u>	
CREDITORS: amounts falling due within one year	18	(134,091)	
NET CURRENT ASSETS			<u>276,082</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,624,031</u>
Defined benefit pension scheme liability	25		(378,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>1,246,031</u></u>
FUNDS OF THE ACADEMY			
Restricted funds:			
Restricted funds	19	34,492	
Restricted fixed asset funds	19	1,349,574	
		<u>1,384,066</u>	
Restricted funds excluding pension liability			
Pension reserve		(378,000)	
Total restricted funds			<u>1,006,066</u>
Unrestricted funds	19		239,965
TOTAL FUNDS			<u><u>1,246,031</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 11 December 2014 and are signed on their behalf, by:

A Barton, Chair of Trustees



The notes on pages 22 to 40 form part of these financial statements.

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2014

	Note	15 months ended 31 August 2014 £
Net cash flow from operating activities	21	367,773
Capital expenditure and financial investment	22	1,625
INCREASE IN CASH IN THE PERIOD		369,398

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE PERIOD ENDED 31 AUGUST 2014

	15 months ended 31 August 2014 £
Increase in cash in the period	369,398
MOVEMENT IN NET FUNDS IN THE PERIOD	369,398
NET FUNDS AT 31 AUGUST 2014	369,398

The notes on pages 22 to 40 form part of these financial statements.

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

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.

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 the Department for Education.

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

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For legacies, entitlement is the earlier of the academy being notified of an impending distribution or the legacy being received.

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

General Annual Grant is recognised in full in the 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.

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, 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's policies.

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

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

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

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 one year from the date of approval of the financial statements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 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. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy. 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.

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets are stated at cost less depreciation. 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 property	-	125 years
Fixtures and fittings	-	4 years straight-line basis
Computer equipment	-	3 years straight-line basis

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

1.8 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.

1.9 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 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 quinquennial valuations using a prospective benefit method. As stated in note 25, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

1. ACCOUNTING POLICIES (continued)

The LGPS is a funded scheme and the assets are held separately from those of the academy 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 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 gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.10 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Shenfield St Mary's C of E Voluntary Aided Primary School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Mid Essex Anglican Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £
Donations	10,239	16,806	27,045
Gifted from predecessor school	216,747	1,065,317	1,282,064
Voluntary income	226,986	1,082,123	1,309,109

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £
Catering Income	-	65,085	65,085
Rent and Letting Income	13,621	-	13,621
Other Income	656	52,581	53,237
	<u>14,277</u>	<u>117,666</u>	<u>131,943</u>

4. INVESTMENT INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £
Investment income	614	-	614
	<u>614</u>	<u>-</u>	<u>614</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £
Educational Operations	-	1,885,494	1,885,494
	<u>-</u>	<u>1,885,494</u>	<u>1,885,494</u>

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

Shenfield St Mary's C of E Primary School

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £
DfE/EFA revenue grants			
GAG General Annual Grants	-	1,667,508	1,667,508
Start up Grant	-	25,000	25,000
Pupil premium	-	5,743	5,743
Capital grants	-	53,657	53,657
Other EFA grants	-	15,844	15,844
Insurance grants	-	2,475	2,475
Other income	-	10,324	10,324
	-	1,780,551	1,780,551
Other government grants			
Other government grants	-	3,726	3,726
SEN funding	-	101,217	101,217
	-	104,943	104,943
	-	1,885,494	1,885,494

6. GOVERNANCE COSTS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £
Governance Internal audit costs	-	1,300	1,300
Governance Auditors' remuneration	-	8,400	8,400
Other Professional costs	-	5,216	5,216
	-	14,916	14,916

MID ESSEX ANGLICAN ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

7. DIRECT COSTS

	Educational Operations £	Total 2014 £
Pension expenses	15,000	15,000
Educational supplies	29,618	29,618
Staff development	3,970	3,970
Insurance	15,924	15,924
Technology costs	3,529	3,529
Supply teaching costs	29,167	29,167
Recruitment and support	18,720	18,720
Professional fees	18,822	18,822
Other staff costs	31,867	31,867
Wages and salaries	1,034,677	1,034,677
National insurance	65,691	65,691
Pension cost	139,633	139,633
Depreciation	43,276	43,276
	<u>1,449,894</u>	<u>1,449,894</u>

8. SUPPORT COSTS

	Educational Operations £	Total 2014 £
School Trips	44,871	44,871
Insurance	22,112	22,112
Technology costs	1,121	1,121
Maintenance of premises & equipments	38,548	38,548
Professional fees	56,159	56,159
Cleaning	7,037	7,037
Water & rates	8,054	8,054
Energy	17,313	17,313
Security and transport	1,381	1,381
Catering	32,741	32,741
Other support costs	41,526	41,526
Wages and salaries	205,885	205,885
National insurance	7,114	7,114
Pension cost	58,457	58,457
	<u>542,319</u>	<u>542,319</u>

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

9. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure Other costs	Total
	2014	2014	2014
	£	£	£
Direct costs - Educational Operations	1,240,001	209,893	1,449,894
Support costs - Educational Operations	271,456	270,863	542,319
Charitable activities	1,511,457	480,756	1,992,213
Governance	-	14,916	14,916
	1,511,457	495,672	2,007,129

10. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly	Support costs	Total
	2014	2014	2014
	£	£	£
Educational Operations	1,449,894	542,319	1,992,213

11. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	15 months ended 31 August 2014 £
Depreciation of tangible fixed assets:	
- owned by the charity	43,276
Auditors' remuneration	8,400
Governance Internal audit costs	1,300
Operating lease rentals:	
- other operating leases	14,727

MID ESSEX ANGLICAN ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

12. STAFF

a. Staff costs

Staff costs were as follows:

	15 months ended 31 August 2014 £
Wages and salaries	1,240,562
Social security costs	72,805
Other pension costs (Note 25)	198,090
Supply teacher costs	1,511,457
Teacher's termination payments	12,850
Support staff redundancy payment	25,000
	5,715
	1,555,022

b. Staff numbers

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

	15 months ended 31 August 2014 No.
Teacher	15
Support	19
Management	1
	35

c. Higher paid staff

No employee received remuneration amounting to more than £60,000 in the period.

13. TRUSTEES' REMUNERATION AND EXPENSES

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees. The value of Trustees' remuneration fell within the following bands:

	15 months ended 31 August 2014 £
C Beazeley (Headteacher & trustee)	50,000-55,000
L Judd (Staff trustee)	45,000-50,000
A Plumstead (staff trustee)	5,000-10,000

During the period, expenses of £460 were reimbursed to C Beazeley.

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2014 was £428.00. The cost of this insurance is included in the total insurance cost.

15. OTHER FINANCE INCOME

	15 months ended 31 August 2014 £
Expected return on pension scheme assets	3,000
Interest on pension scheme liabilities	(18,000)
	<u>(15,000)</u>

MID ESSEX ANGLICAN ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

16. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
Cost				
At 1 June 2013	-	-	-	-
Additions	1,250,000	130,662	10,563	1,391,225
At 31 August 2014	1,250,000	130,662	10,563	1,391,225
Depreciation				
At 1 June 2013	-	-	-	-
Charge for the period	12,500	27,933	2,843	43,276
At 31 August 2014	12,500	27,933	2,843	43,276
Net book value				
At 31 August 2014	1,237,500	102,729	7,720	1,347,949

17. DEBTORS

	2014 £
Other debtors	9,948
Prepayments and accrued income	30,827
	<u>40,775</u>

**18. CREDITORS:
Amounts falling due within one year**

	2014 £
Trade creditors	30,701
Other taxation and social security	16,649
Other creditors	29,650
Accruals and deferred income	57,091
	<u>134,091</u>

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

19. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds					
General Funds - all funds	-	241,877	(1,912)	-	239,965
Restricted funds					
Restricted Funds - all funds	-	1,964,433	(1,929,941)	-	34,492
Pension reserve	-	(272,000)	(32,000)	(74,000)	(378,000)
	-	1,692,433	(1,961,941)	(74,000)	(343,508)
Restricted fixed asset funds					
Restricted Fixed Asset Funds - all funds	-	1,392,850	(43,276)	-	1,349,574
Total restricted funds	-	3,085,283	(2,005,217)	(74,000)	1,006,066
Total of funds	-	3,327,160	(2,007,129)	(74,000)	1,246,031

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

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Trustees.
Restricted fixed asset funds are resources which are to be applied to specific capital purposes. Restricted general funds are resources for educational purposes.

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 2014.

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds	-	241,877	(1,912)	-	239,965
Restricted funds	-	1,692,433	(1,961,941)	(74,000)	(343,508)
Restricted fixed asset funds	-	1,392,850	(43,276)	-	1,349,574
	-	3,327,160	(2,007,129)	(74,000)	1,246,031

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £
Tangible fixed assets	-	-	1,347,949	1,347,949
Current assets	239,965	168,583	1,625	410,173
Creditors due within one year	-	(134,091)	-	(134,091)
Provisions for liabilities and charges	-	(378,000)	-	(378,000)
	<u>239,965</u>	<u>(343,508)</u>	<u>1,349,574</u>	<u>1,246,031</u>

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	15 months ended 31 August 2014 £
Net incoming resources before revaluations	1,320,031
Fixed assets inherited on conversion	(1,339,193)
Depreciation of tangible fixed assets	43,276
Capital grants from DfE	(53,657)
Increase in debtors	(40,775)
Increase in creditors	134,091
LGPS deficit on conversion	272,000
FRS 17 adjustments	32,000
Net cash inflow from operations	<u><u>367,773</u></u>

22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	15 months ended 31 August 2014 £
Capital expenditure and financial investment	
Purchase of tangible fixed assets	(52,032)
Capital grants from DfE	53,657
Net cash inflow capital expenditure	<u><u>1,625</u></u>

MID ESSEX ANGLICAN ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

23. ANALYSIS OF CHANGES IN NET FUNDS

	1 June 2013	Cash flow	Other non-cash changes	31 August 2014
	£	£	£	£
Cash at bank and in hand:	-	369,398	-	369,398
Net funds	-	369,398	-	369,398

24. CONVERSION TO AN ACADEMY TRUST

On 01 June 2013 Shenfield St Mary's C of E Voluntary Aided Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Mid Essex Anglican Academy Trust from Essex County Council for £NIL consideration.

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

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	1,250,000	1,250,000
- Other tangible fixed assets	-	-	89,193	89,193
Other assets	216,747	(1,876)	-	214,871
LGPS pension surplus/(deficit)	-	(272,000)	-	(272,000)
Net assets/(liabilities)	216,747	(273,876)	1,339,193	1,282,064

The above net assets include £151,996 that were transferred as cash.

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25. 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 Essex County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

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

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.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

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 for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Teachers' Pension Scheme Changes

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25. PENSION COMMITMENTS (continued)

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in from April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy 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 period ended 31 August 2014 was £89,000, of which employer's contributions totalled £68,000 and employees' contributions totalled £21,000. The agreed contribution rates for future years are 12.3% for employers and 5.5 to 8.5% for employees.

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

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25. PENSION COMMITMENTS (continued)

The amounts recognised in the Balance sheet are as follows:

	15 months ended 31 August 2014 £
Present value of funded obligations	(472,000)
Fair value of scheme assets	94,000
Net liability	<u>(378,000)</u>

The amounts recognised in the Statement of financial activities are as follows:

	15 months ended 31 August 2014 £
Current service cost	(85,000)
Interest on obligation	(18,000)
Expected return on scheme assets	3,000
Total	<u>(100,000)</u>
Actual return on scheme assets	<u>5,000</u>

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

	15 months ended 31 August 2014 £
Opening defined benefit obligation	272,000
Current service cost	85,000
Interest cost	18,000
Contributions by scheme participants	21,000
Actuarial Losses	76,000
Closing defined benefit obligation	<u>472,000</u>

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25. PENSION COMMITMENTS (continued)

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

	15 months ended 31 August 2014 £
Expected return on assets	3,000
Actuarial gains and (losses)	2,000
Contributions by employer	68,000
Contributions by employees	21,000
	<u>94,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £74,000.

The academy expects to contribute £58,000 to its Defined benefit pension scheme in 2015.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2014
Equities	6.10 %
Gifts	3.00 %
Other Bonds	3.60 %
Property	5.10 %
Cash	2.90 %
Alternative Assets	3.60 %

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	2014
Discount rate for scheme liabilities	4.00 %
Rate of increase in salaries	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %
Inflation assumption (CPI)	2.70 %
RPI increase	3.50 %

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

	2014
Retiring today	
Males	22.7
Females	25.1
Retiring in 20 years	
Males	24.9
Females	27.4

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25. PENSION COMMITMENTS (continued)

Amounts for the current period are as follows:

Defined benefit pension schemes

	2014 £
Defined benefit obligation	(472,000)
Scheme assets	94,000
Deficit	<u>(378,000)</u>
Experience adjustments on scheme liabilities	(76,000)
Experience adjustments on scheme assets	<u>2,000</u>

26. OPERATING LEASE COMMITMENTS

At 31 August 2014 the academy had annual commitments under non-cancellable operating leases as follows:

	2014 £
Expiry date:	
Between 2 and 5 years	<u>974</u>

27. 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 a trustee 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.

There were no related party transactions during the period.