

**Hope Learning Trust, York
(A Company Limited by Guarantee)**

Annual Report and Financial Statements

Year ended 31 August 2015

**Company Registration Number:
7559537 (England and Wales)**

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Hope Learning Trust, York

Reference and administrative details

01 September 2014 – 31 March 2015 (Manor CE Academy Trust)

The following structure changed on 1 April 2015. Those governors not continuing as a Trustee in the new MAT structure resigned as Trustees' but many continue in the role on the Local Governing Body:

Governors

| | |
|---|---|
| Chair | Mrs F Long |
| Foundation Governors | Mr A Simpkin # The Reverend C Coates Rev T Hand (representing Deanery of York) Mr A Moorcroft Mr S Naish (parent) Rev Canon Peter Moger Mrs K Humpleby Venerable S Bullock |
| LEA Governors (appointed by City of York Council) | Miss J Wright # Mrs E Jones |
| Staff Governors | Mrs R Snowden Mr D Hosier Mrs E Meijer Mr G Reagan |
| Parent Governors | Ms H Woodall Mrs S Duxbury # (Finance Chair) Mr D Judson # (Vice Chair) |
| The Principal and Accounting Officer | Mr B Crosby # |
| Clerk to the Governors | Provided by City of York Council (CYC) |
| # Represents members of the Finance Committee | |
| Secretary | S Bryan-Smith |
| Senior management team | Brian Crosby, Simon Gumn, Mike Thunder, Indru Nariani, Julie Caddell, Andy Crisp, Sue Counter, Jane Atkinson Simon Bryan-Smith |

Hope Learning Trust, York

Reference and administrative details

01 April 2015 – 31 August 2015 (Hope Learning Trust, York)

| | |
|---------------------------------|--|
| Trustees | Mrs A Bowers (Chair) Mr B Crosby Mrs E O'Hara Mr M Bennett Mr D Judson Mr M Ferguson Mr A Simpkin |
| Members | Mrs K Humpleby Venerable S Bullock Rev T Hand (representing Deanery of York) |
| Principal and Registered Office | Hope Learning Trust, York Manor CE Academy, Millfield Lane Nether Poppleton York, North Yorkshire YO26 6PA |
| Senior management team | Mr B Crosby (Executive Principal Secondary) Mrs E O'Hara (Executive Principal Primary) Mr S Bryan-Smith (Finance Director) |
| Company Registration Number | 7559537 |
| Auditors | BHP Chartered Accountants, Bathurst House 86 Micklegate York YO1 6LQ |
| Bankers | Lloyds Banking Group 14 Church Street Sheffield S1 1HP |
| Solicitors | Bond Dickinson LLP, St Ann's Wharf 112 Quayside Newcastle upon Tyne NE1 3DX |
| Surveyors | Valuation Office Agency Eastgate House Eastgate Leeds LS2 7JL |

Trustees' Report

The trustees' present their annual report together with the audited financial statements of the Academy for the year ended 31 August 2015. The annual report serves the purpose of both a trustees' report and a directors' report under company law.

Structure, Governance and Management

Constitution

During the current financial year 2014/15, Manor CE Academy Trust, changed from a single academy trust to a multi academy trust on the 01 April 2015. The single academy trust was a Church of England trust and the three members of the company were from the Church of England. They were The Archbishop of York, The Dean and Chapter of York Minster and the Diocese of York Educational Trust (DYET). On conversion to the new multi academy trust, the members remain in place but their functions are concentrated within the new trust board and not the local governing bodies. The name of the trust was also changed on the 01 April 2015 to the Hope Learning Trust, York (HLTY). Poppleton Ousebank Primary School (POPS) was the first school to convert into the new trust at midnight on the 01 April. Currently there are only two academies in the trust although it is the aim of the academy to expand, and the trust is currently in discussions with a number of other local schools.

Details of the governors who served throughout the year except as noted are included in the Reference and Administrative Details on page 2-3.

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.

Governors' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £250,000.

Principal Activities

Principal Activities, for which the trust was set up, are to deliver full-time education. In addition and in partnership with the formal education the Academy runs many trips, clubs and other opportunities to enhance and develop each child.

Method of Recruitment and Appointment or Election of Governors

As laid out in the Articles of Association the number of Governors shall be not less than three but shall not be subject to a maximum. The Trust members shall appoint the following Governors - The Archbishop of York or such other person as he shall nominate. The method of appointing governors is included in the Articles of Association which is available on the Academy website.

Policies and Procedures Adopted for the Induction and Training of Governors.

New Governors are formally written to on appointment and supplied with a welcome pack and invited to attend a "Welcome to Governance" course run by the local authority. Further training is made available specific to the relevant area of responsibility.

Trustees' Report (Continued)

Organisational Structure

Overall responsibility lies with the trustees who by means of a scheme of delegation for each school delegate the majority of responsibility to the relevant Local Governing Body who in turn delegate the day to day running of the school to the Principal and the senior leadership team of each school. Further details of Governance structure are on page 9

Risk Management

As part of the risk management process the Governors, senior leadership and working groups review relevant risk using the risk register. This aims to recognise changes to our current risks and identify emerging situations. At each full governors meeting specific risks are reviewed.

Connected Organisations, including Related Party Relationships

Hope Learning Trust, York continues to have a very strong relationship with the York Diocesan Board of Education (DBE). The Board is a member of the company and oversees the appointment of the Foundation Trustee of the Trust. The Diocesan Director of Education is an ex-officio member of the board. The DBE has the statutory responsibility for the SIAS inspection of any C of E academies in the Trust. The most recent SIAS inspection proved very successful with the academy being awarded an outstanding rating. Over the years the DBE has provided excellent support in gaining new facilities and working with the local authority.

Hope Learning Trust, York continues to work closely with the City of York local authority. The executive principal secondary sits on the York Educational Partnership board. This is the body making financial decisions regarding the schools and academies within the City of York. The academy plays an active role in all educational developments within the city and the wider region. The academy also has a number of SLAs with CYC to provide HR and Payroll services. In addition both academies remain part of the CYC behaviour partnership.

The teaching school as part of Manor CE Academy continues to grow. This has enabled the academy to be at the heart of developments in relation to the training of new teachers via Schools Direct, developing leaders and engaging in support for other schools acting as a National Support School(NSS). The teaching school is working with the City of York local authority to provide school to school support on their behalf for all local authority schools.

Objectives and Activities

Objects and Aims

To advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:

- (i) Church of England schools designated as such which shall be 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; and
- (ii) other Academies whether with or without a designated religious character; but in relation to each of the Academies to recognise and support their individual ethos, whether or not designated Church of England.

Trustees' Report (Continued)

Objectives, Strategies and Activities

The objectives are to provide outstanding education through teaching professionally and creatively.

Public Benefit

In setting our objectives and planning our activities the governors have given careful consideration to the Charity Commission's general guidance on public benefit.

Strategic Report

Achievements and Performance

Manor CE Academy

Due to the changes made to the curriculum in 2012, the academy was ready for the new DfE benchmarking criteria. This year was the first year of the three-year Key Stage 4. This allowed us to allocate three hours to both English and Maths and four hours to core Science. In addition we were able to make the Separate Sciences an option thus giving two hours to the three separate subjects for three years. We also achieved an increase in the % of top grades in the option subjects. Geography gained 47% A*/A grades while History gained 43%; Drama, Music, Computer Science and English Literature also performed highly at the top A*/A grades.

Both the academies within the trust are rated as Outstanding and this year their academic performance has been maintained in line with Ofsted status. Manor CE gained: 78% 5 A*-C grades including English and Maths, 53% EBacc, P8 +0.42 and A8 57.5 with an average grade of B-. Both English and Maths recorded high levels of students gaining the national levels of progress with English gaining 86% and Maths 79%, both figures are well above the national average.

The attendance rate for Manor CE was 96.4%, well above the national average.

This year Manor has set new challenging targets in line with the DfE's new benchmarking criteria. We are aiming for 45% in the EBacc, a P8 score above +0.30, A8 in excess of 55. We are also hoping for 75% of students to gain both English and Maths at grade C and above. The attendance target is also set at 96%.

Poppleton Ousebank Primary School

Poppleton Ousebank pupils achieved well against National averages with 96% of pupils achieving level 2+ for Reading and Maths in Key Stage 1 and 93% in writing. In Key Stage 2, 95% of pupils achieved level 4+ in Reading, 90% in Writing and 93% in Maths. It was recognised that this year, fewer pupils attained higher levels than usually. The school continues to challenge all pupils to promote progress at all levels. The school attendance is well above national and is set at 96% this year.

Trustees' Report (Continued)

Future Plans

To maintain academic standards in line with Outstanding School status: these include MCE gaining in 2015 Average total Attainment = 55.0, Progress 8 = +0.30, A*-C in English and Maths 75%. Attendance = 96.0%.

This year the national tests have changed in primary schools - SATs in 2016 will reflect the new curriculum and are expected to be difficult. Pupils are expected to meet the national standard (100) and their attainment will be presented on a scale around this point. Our expectations remain high and although we cannot be sure of the outcomes to the new tests, targets for this cohort of children are 96% in Reading, 93% in Writing and 87% in Maths.

In addition below are the significant themes for 2015/16

- To establish and communicate to all stakeholders the vision for the Trust;
- To explore extending the trust by admitting further academies and bidding for a Free School for the British Sugar site (probably September 2018);
- To develop due diligence protocols for all types of schools wanting to join the trust;
- To establish common Trust policies, including in year one a common Pay and Remuneration policy;
- To develop curriculum strategies that run 4-16, including: maths, MFL, ICT/computing & assessment without levels;
- To establish a working group that will make recommendations to the Trust board in Spring 2016 as to how the current work completed by both academies on 'assessment without levels' can be best implemented;
- Consider the governance numbers for Manor CE; and
- Expand the numbers of students at both POPS and Manor CE and address the accommodation required.

Going Concern

After making appropriate enquiries, the Trustees have 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 note of the financial statements.

Key Performance Indicators

During the 12 month period to 31 August 2015 Hope Learning Trust, York has controlled and managed its expenditure to ensure that it operated within the funding available through the General Annual Grant.

Financial Review

The conversion to a Multi Academy Trust and inclusion of a primary school has brought many changes to the organisation during the year. A finance system change has been identified and will be implemented to better facilitate the multi-site and shared financial service envisioned.

Lagged funding for increasing roles have again helped to protect a falling budget coupled with increasing costs.

Trustees' Report (Continued)

The deficit on the balance sheet relating to the Local Government Pension Scheme shortfall in relation to Hope Learning Trust, York staff has increased during the year from £867,000 to £1,360,000. The share of deficit across the academies is Manor CE Academy £1,004,000 and Poppleton Ousebank Primary School £356,000. Repayment of the pension deficit is included in the budget on the basis of an additional annual contribution.

Financial and Risk Management Objectives and Policies

A comprehensive risk register is operational to quantify the likelihood and impact of the risks the Academy may face.

Principal Risks and Uncertainties

The principal risk to the academy is identified as reduction to funding through the proposed funding reforms. Continued reduction to funding and increasing costs have dictated organisational changes to the leadership from January 2016 and potential further changes from September 2016.

Reserves Policy

The Academy has reached its initial reserves target during the year and will continue to monitor and review its position based on the reserves policy.

The current level of unrestricted reserves is £521k. The current level of restricted GAG funds is a surplus of £573k. Of these reserves £168k has been allocated to renewal projects including ICT equipment and one 2 one technology implementation.

Investment Policy

An investment policy has been agreed to allow the Academy to gain best value from its rising reserves.

Disclosure of information to auditors

In so far as the governors are aware:

- there is no relevant audit information of which the academy's auditor is unaware; and
- the governors 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.

Approved by order of the members of the Governing Body on 3 December 2015 and signed on its behalf by:


.....
Amanda Bowers [Chair]

Governance Statement

Scope of Responsibility

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

The Governing Body has delegated the day-to-day responsibility to the Principal, 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 Hope Learning Trust, York and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the governors report and the statement of governors responsibilities.

The governance structure of MCE Academy Trust includes 20 Governors on the Full Governing Body. There are separate sub committees looking in more detail at the areas of Curriculum, Finance, Premises, Welfare and Staffing along with a standing committee. Groups meet at least every term with additional meetings when needed. In addition three Governors strategy mornings have been held to discuss specific strategic topics.

The governing body works well and will consider how best to meet the recent directive for a separate audit committee.

Manor CE Academy Full Governors Attendance 1 September 2014 – 31 March 2015

| <i>Trustee</i> | | <i>Meetings Attended</i> | <i>Out of a possible</i> |
|--------------------|---------------------|------------------------------|--------------------------|
| Mr B Crosby | Staff (Principal) | 1 | 3 |
| Mr D Hosier | Staff | 3 | 3 |
| Mr G Reagan | Staff | 2 | 2 |
| Ms M Hudson | Staff | 2 | 2 |
| Mrs E Meijer | Staff | 1 | 1 |
| Mrs R Snowden | Staff | 1 | 1 |
| Miss J Wright | LA | 3 | 3 |
| Mrs E Jones | LA | 3 | 3 |
| Mrs S Duxbury | Parent | 2 | 3 |
| Mr D Judson | Parent | 2 | 3 |
| Ms H Woodall | Parent | 2 | 3 |
| Mr R Yarrow | Parent | 2 | 2 |
| The Ven. S Bullock | Foundation Diocesan | 1 | 3 |
| Rev Canon C Coates | Foundation Diocesan | 0 | 3 |
| Rev T Hand | Foundation Diocesan | 3 | 3 |
| Mr T Hanham | Foundation Diocesan | 1 | 2 |
| Mrs K Humpleby | Foundation Diocesan | 3 | 3 |
| Mrs F Long | Foundation Diocesan | 3 | 3 |
| Rev Canon P Moger | Foundation Diocesan | 2 | 3 |
| Mr A Moorcroft | Foundation Diocesan | 2 | 3 |
| Mr S Naish | Foundation Diocesan | 1 | 3 |
| Mr A Simpkin | Foundation Diocesan | 3 | 3 |

Governance Statement (continued)

Manor CE Academy Finance Committee Attendance 1 September 2014 – 31 March 2015

| <i>Finance Trustee</i> | | <i>Meetings Attended</i> | <i>Out of a possible</i> |
|------------------------|-------------------|------------------------------|------------------------------|
| Mr B Crosby | Staff (Principal) | 2 | 3 |
| Mr A Simpkin | Foundation | 2 | 3 |
| Miss J Wright | Authority | 2 | 3 |
| Mr D Judson | Parent | 3 | 3 |
| Ms H Woodall | Parent | 2 | 3 |
| Mrs S Duxbury | Parent | 3 | 3 |

Hope Learning Trust, York Board Attendance 1 April 2015 – 31 August 2015

| <i>Trust Board</i> | | <i>Meetings Attended</i> | <i>Out of a possible</i> |
|--------------------|-------------------------------|------------------------------|------------------------------|
| Mrs A Bowers | Member appointments (Chair) | 2 | 2 |
| Mr B Crosby | Executive Principal Secondary | 2 | 2 |
| Mrs E O'Hara | Executive Principal Primary | 2 | 2 |
| The Ven. S Bullock | Archbishop's appointment | 1 | 2 |
| Mr M Ferguson | Member appointments | 2 | 2 |
| Rev T Hand | Member appointments | 1 | 2 |
| Mrs K Humpleby | Member appointments | 1 | 2 |
| Rev Canon P Moger | Member appointments | 1 | 2 |
| Mr A Simpkin | Member appointments | 2 | 2 |
| Mr M Bennett | Academy Directors | 2 | 2 |
| Mr D Judson | Academy Directors | 2 | 2 |

The Governing Body and Subcommittees meet five times a year. The average attendance for the governing body meetings has been 74% across the period. The finance committee attendance in the period was an average of 78%. Since 1 April 2015 the Trust Board has met twice with 80% attendance.

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's 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 for Hope Learning Trust, York for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

Having completed a review of key risks the Governing Body, along with senior management, is involved in regular monitoring of 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 Governing Body is of the view that there is an on-going process for identifying, evaluating and managing the significant risks that

Governance Statement (continued)

have been in place for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Governing Body.

The Risk and Control Framework

The 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:

- financial reports which are reviewed and agreed by the Governing Body;
- budgeting and monitoring systems with an annual budget and periodic regular reviews by each Finance 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; and
- identification and management of risks.

The Trustees have entered into a contract of services to provide both the role of responsible officer as defined by the Academies Handbook and a rolling plan of internal audit checks to ensure adequate and robust controls are in place within the financial management processes. This contract was awarded to Veritau and involves regular reports that are reviewed by the senior leadership team and the finance committee.

Review of Effectiveness

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

Veritau have continued to provide site visits where a rolling schedule of internal controls is reviewed and reported on. These reports are presented to, and considered by the standing committee and referred to the standing committee in relation to any actions required.

The full Financial Management Governance Evaluation audit was undertaken internally to self assess aspects of financial procedure. The outcome was independently verified by an audit visit undertaken by the Education Funding Agency. Poppleton Ousebank Primary School has been included within these controls since conversion at 1 April 2015.

The standing committee have taken on the additional responsibilities related to the audit committee.

The Accounting Officer has been advised of the implications of the result of Veritau's review of the system of internal control by the finance committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the Trust on 15 December 2015 and signed on its behalf by:



Amanda Bowers
[Chair]



Brian Crosby
[Accounting Officer]

Statement on Regularity, Propriety and Compliance

As accounting officer of Hope Learning Trust, York I have considered my responsibility to notify the Multi Academy Trust Board and the Education Funding Agency (EFA) 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. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the Trust Board 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 each academy trust'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 the EFA.



.....
Brian Grosby
[Accounting Officer]

15 December 2015

Statement of Trustees' Responsibilities

The Trust Board (who act as trustees for the charitable activities and are also directors of Hope Learning Trust, York for the purposes of company law) are responsible for preparing the Governors' Report and the financial statements in accordance with applicable law and regulations, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Annual Accounts Direction issued by the Education Funding Agency.

Company law requires the directors to prepare financial statements for each financial year. Under company law the directors 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 the incoming resources and application of resources, including the income and expenditure of the academy for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy will continue in operation.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the academy's transactions and disclose with reasonable accuracy at any time the financial position of the academy 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 academy and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for ensuring that in its conduct and operation the academy applies financial and other controls which conform to the requirements both of propriety and good financial management. They are also responsible for ensuring that grants received from the Education Funding Agency and Department for Education have been applied for the purposes intended.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the academy's websites. 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 Trust Body on 15 December 2015 and signed on its behalf by:


.....
Amanda Bowers
[Chair]

Independent Auditor's Report to the Board of Trustees' of Hope Learning Trust, York

We have audited the financial statements of Hope Learning Trust, York for the year ended 31 August 2015 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 2014 to 2015 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 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 Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 Academy Trust's affairs as at 31 August 2015 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 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

Opinion on other matter prescribed by the Companies Act 2006

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

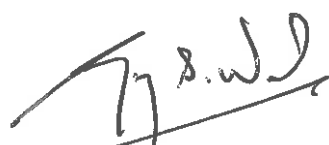
Hope Learning Trust, York

Independent Auditor's Report to the Board of Trustees' of Hope Learning Trust, York (continued)

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.



Guy Ward FCA (Senior Statutory Auditor)

for and on behalf of

BHP, Chartered Accountants

Statutory Auditors

Bathurst House
86 Micklegate
York
Y01 6LQ

Date: 15 December 2015

Independent Reporting Accountant's Assurance Report on Regularity to Hope Learning Trust, York and the Education Funding Agency

In accordance with the terms of our engagement letter dated 11 January 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Hope Learning Trust York during the year 1 September 2014 to 31 August 2015 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 Hope Learning Trust York and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Hope Learning Trust York 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 Hope Learning Trust York and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Hope Learning Trust, York's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Hope Learning Trust York's funding agreement with the Secretary of State for Education dated 30 August 2011, and the Academies Financial Handbook extant from 1 September 2014, 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 2014 to 2015. 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 2014 to 31 August 2015 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 2014 to 2015 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 Trust's income and expenditure.

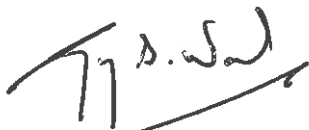
Independent Reporting Accountant's Assurance Report on Regularity to Hope Learning Trust, York and the Education Funding Agency (continued)

The work undertaken to draw our conclusion includes:

- Detailed testing on a sample basis to assess the nature of expenditure and whether funds have been used appropriately;
- Review of the academy's internal financial procedures to ensure that controls are in place to prevent or identify regularity issues;
- Ensure that EFA approval has been obtained for relevant transactions;
- Discussions with Governors, Senior Leadership Team and the Accounting Officer throughout the audit process to ensure that all regularity threats have been addressed.

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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Guy Ward FCA (Senior Statutory Auditor)

BHP, Chartered Accountants

Statutory Auditors

Bathurst House
86 Micklegate
York
YO1 6LQ

Date: 15 December 2015

Hope Learning Trust, York
Company Number
Statement of Financial Activities for the year ended 31 August 2015
7559537

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

| | Note | Unrestricted Funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | Total 2015 £000 | Total 2014 £000 |
|--|--------|-------------------------------|--|--|-----------------------|-----------------------|
| Incoming resources | | | | | | |
| <i>Incoming resources from generated funds:</i> | | | | | | |
| . Voluntary income | 2 | - | - | 85 | 85 | 28 |
| . Voluntary income - transfer from local authority on conversion | 2, 20 | - | 185 | 4,466 | 4,651 | - |
| . Activities for generating funds | 3 | 170 | - | - | 170 | 134 |
| . Investment income | 4 | 3 | - | - | 3 | - |
| <i>Incoming resources from charitable activities:</i> | | | | | | |
| . Funding for the Academy's educational operations | 5 | - | 5,857 | 34 | 5,891 | 5,606 |
| <i>Other incoming resources</i> | 6 | 110 | 229 | - | 339 | 314 |
| Total incoming resources | | 283 | 6,271 | 4,585 | 11,139 | 6,082 |
| Resources expended | | | | | | |
| <i>Cost of generating funds:</i> | | | | | | |
| . Costs of generating voluntary income | 7 | 56 | - | - | 56 | 34 |
| <i>Charitable activities:</i> | | | | | | |
| . Academy's educational operations | 7 | 59 | 6,142 | 692 | 6,893 | 6,329 |
| <i>Governance costs</i> | 9 | - | 28 | - | 28 | 16 |
| Total resources expended | 7 | 115 | 6,170 | 692 | 6,977 | 6,379 |
| Net incoming (outgoing) resources before transfers | | 168 | 101 | 3,893 | 4,162 | (297) |
| Transfers | | | | | | |
| Gross transfers between funds | 16 | - | (14) | 14 | - | - |
| Net income / (expenditure) for the year | | 168 | 87 | 3,907 | 4,162 | (297) |
| Other recognised gains and losses | | | | | | |
| Gains (losses) on investment assets | | - | - | - | - | - |
| Defined benefit pension scheme asset (liability) | 20, 24 | - | (380) | - | (380) | - |
| Actuarial (losses) gains on defined benefit pension schemes | 24 | - | (52) | - | (52) | (222) |
| Net movement in funds | | 168 | (345) | 3,907 | 3,730 | (519) |
| Reconciliation of funds | | | | | | |
| Total funds brought forward at 1 September 2014 | 16 | 353 | (442) | 18,485 | 18,396 | 18,915 |
| Total funds carried forward at 31 August 2015 | 16 | 521 | (787) | 22,392 | 22,126 | 18,396 |

All of the Academy's activities derive from continuing operations during the above two financial periods.

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

Hope Learning Trust, York
Balance sheet as at 31 August 2015

Company Number
7559537

| | Note | 2015 £000 | 2015 £000 | 2014 £000 | 2014 £000 |
|--|------|--------------|----------------|--------------|---------------|
| Fixed assets | | | | | |
| Tangible assets | 13 | | 22,375 | | 18,469 |
| Investments | | | - | | - |
| Total fixed assets | | | <u>22,375</u> | | <u>18,469</u> |
| Current assets | | | | | |
| Stock | | | - | | - |
| Debtors | 14 | 794 | | 489 | |
| Cash at bank and in hand | | <u>722</u> | | <u>631</u> | |
| Total current assets | | <u>1,516</u> | | <u>1,120</u> | |
| Liabilities: | | | | | |
| Creditors: Amounts falling due within one year | 15 | <u>(405)</u> | | <u>(326)</u> | |
| Net current assets | | | <u>1,111</u> | | <u>794</u> |
| Total assets less current liabilities | | | 23,486 | | 19,263 |
| Creditors: Amounts falling due after more than one year | | | | | |
| Provisions for liabilities and charges | | | | | |
| Net assets excluding pension liability | | | 23,486 | | 19,263 |
| Pension scheme liability | 24 | | <u>(1,360)</u> | | <u>(867)</u> |
| Net assets including pension liability | | | <u>22,126</u> | | <u>18,396</u> |
| Funds of the academy: | | | | | |
| Endowment funds | 16 | | - | | - |
| Restricted funds | | | | | |
| . Fixed asset fund(s) | 16 | | 22,392 | | 18,485 |
| . General fund(s) | 16 | | 573 | | 425 |
| . Pension reserve | 16 | | (1,360) | | (867) |
| . Other | 16 | | - | | - |
| Total restricted funds | | | <u>21,605</u> | | <u>18,043</u> |
| Unrestricted funds | | | | | |
| . General fund(s) | 16 | | <u>521</u> | | <u>353</u> |
| Total unrestricted funds | | | <u>521</u> | | <u>353</u> |
| Total Funds | | | <u>22,126</u> | | <u>18,396</u> |

The financial statements on pages 18 to 36 were approved by the Trust Directors, and authorised for issue on 15 December 2015 and signed on their behalf by:


Amanda Bowers
[Director]

Hope Learning Trust, York
Cash Flow Statement for the year ended 31 August 2015

| | Note | 2015 £000 | 2014 £000 |
|---|------|--------------|--------------|
| Net cash inflow from operating activities | 21 | 101 | 469 |
| Returns on investments and servicing of finance | 4 | 3 | - |
| Capital expenditure | 22 | (13) | (313) |
| Management of liquid resources | | - | - |
| (Decrease) / increase in cash in the year | 23 | 91 | 156 |
| Reconciliation of net cash flow to movement in net funds | | | |
| Net funds at 1 Sept 2014 | | 631 | 475 |
| Net funds at 31 August 2015 | | 722 | 631 |

Hope Learning Trust, York
Notes to the Financial Statements for the year ended 31 August 2015

1 Accounting Policies

Basis of Preparation

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Annual Academies Accounts Direction 2014/15 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Going Concern

The governors assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The governors make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming resources

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable

Grants are included in the statement of financial activities on an accruals basis. The balance of income received for specific purposes but not matched to relevant expenditure during the period is shown in the relevant funds on the balance sheet. Where income received relates to future activities it is deferred to the period when the activity is taking place. Where entitlement occurs before income is received, the income is accrued.

Sponsorship income

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.

Donations

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with virtual certainty and are receivable at the balance sheet date.

Donated services and gifts in kind

The value of donated services and gifts in kind provided to the academy is recognised in the statement of financial activities as incoming resources and resources expended at their estimated value to the academy in the period in which they are receivable, and where the benefit is both quantifiable and material.

Interest receivable

Interest receivable is included within the statement of financial activities on an accruals basis.

Resources expended and the basis of apportioning costs

Resources expended are recognised in the period in which they are incurred and include irrecoverable VAT. They have been classified under headings that aggregate all costs relating to that activity.

Allocation of costs

It accordance with the Charities SORP, expenditure has been analysed between the cost of generating funds, the academy's charitable activities and governance. Items of expenditure which involve more than one cost category have been apportioned on a reasonable, justifiable and consistent basis for the cost category concerned. Central staff costs are allocated on the basis of time spent on each activity and depreciation charges on the basis of the proportion of the assets' use which is utilised by each activity.

1 Accounting Policies (continued)

Governance costs

Governance costs include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management and governors' meetings and reimbursed expenses. Such costs include both direct and allocated support costs.

Fund accounting

General funds represent those resources which may be used towards meeting any of the objects of the academy at the discretion of the governors.

Restricted funds comprise grants from the EFA and other donors which are to be used for specific purposes as explained in note 16.

Tangible fixed assets

Tangible fixed assets costing in excess of £2,000 are capitalised at cost and held in the accounts at cost net of depreciation and impairment.

Tangible fixed assets acquired since the academy was established are included in the accounts at cost.

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 carried forward in the balance sheet. The depreciation on such assets is charged in the statement of financial activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy.

Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on freehold land. The principal annual rates used for other assets are:

| | |
|---------------------------------|-------------|
| Long leasehold property | 13-50 Years |
| Plant and machinery | 5-10 Years |
| Furniture and equipment | 5-10 Years |
| Computer equipment and software | 3-5 Years |

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use. A full year is charged during the year of acquisition.

Investments

The academy's share holding in the wholly owned subsidiary, MCE Enterprise Limited, is included in the balance sheet at the cost of the share capital owned. MCE Enterprise Limited has been dormant for the whole accounting period.

Stocks

Hope Learning Trust, York does not hold or recognise any stock items.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the statement of financial activities on a straight line basis over the lease term. Assets subject to finance leases where substantially all of the benefits and risks of ownership have been transferred to the lessee are capitalised and written off over the life of the asset.

1 Accounting Policies (continued)

Taxation

The academy is an exempt charitable company and as such is exempt from corporation tax subject to the provisions of the Corporation Tax Act 2010. The cost of irrecoverable VAT incurred by the academy has been included in the statement of financial activities.

Pensions

Academy staff are members of one of two pension schemes. More details of the schemes are given in note 24.

Defined Benefit Schemes

Teachers' Pension Scheme

Full-time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teachers' Pension Scheme (TPS). The TPS, a statutory, contributory, final salary scheme is administered by Capita Teachers' Pensions on behalf of the Department for Education. As the academy is unable to identify its share of the underlying (notional) assets and liabilities of the scheme, the academy has taken advantage of the exemption in Financial Reporting Standard (FRS) 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The pension costs for the scheme represent the contributions payable by the academy in the year.

Local Government Pension Scheme

Non teaching members of staff are offered membership of the Local Government Pension Scheme (LGPS) which is managed by North Yorkshire Pension Scheme (NYPS). The LGPS is a defined benefit pension scheme and is able to identify the academy's share of assets and liabilities and the requirements of FRS 17, Retirement Benefits, have therefore been followed.

The academy's share of the LGPS assets are measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet. Any movement in the asset or liability between balance sheet dates is reflected in the statement of financial activities.

Conversion to an Academy Trust

The conversion of Poppleton Ousebank Primary School from a state maintained school into academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below. The assets and liabilities on conversion from Poppleton Ousebank Primary School to the academy have been valued at their fair value. The fair values has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Voluntary income - transfer from local authority on conversion in the Statement of Financial Activities and analysed under restricted funds.

Further details of the transaction are set out in notes 13, 16 and 20.

Hope Learning Trust, York
Notes to the Financial Statements for the year ended 31 August 2015 (continued)
2 Voluntary Income

| | Unrestricted Funds £000 | Restricted Funds £000 | 2015 Total £000 | 2014 Total £000 |
|---|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Donations - Capital | - | 85 | 85 | 22 |
| Transfer from local authority on conversion | - | 185 | 185 | - |
| Transfer of assets on conversion | - | 4,466 | 4,466 | - |
| Private sponsorship | - | - | - | 1 |
| Gifts in Kind | - | - | - | - |
| Other Donations | - | - | - | 5 |
| | - | 4,736 | 4,736 | 28 |

3 Activities for Generating Funds

| | Unrestricted Funds £000 | Restricted Funds £000 | 2015 Total £000 | 2014 Total £000 |
|--------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Hire of Facilities | 100 | - | 100 | 98 |
| Catering Income | 70 | - | 70 | 36 |
| Uniform sales | - | - | - | - |
| | 170 | - | 170 | 134 |

4 Investment Income

| | Unrestricted Funds £000 | Restricted Funds £000 | 2015 Total £000 | 2014 Total £000 |
|---------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Short term deposits | 3 | - | 3 | - |
| | 3 | - | 3 | - |

5 Funding for Academy's educational operations

| | Unrestricted Funds £000 | Restricted Funds £000 | Total 2015 £000 | Total 2014 £000 |
|--|-------------------------------|-----------------------------|-----------------------|-----------------------|
| DfE / EFA grants | | | | |
| . General Annual Grant (GAG) | - | 5,134 | 5,134 | 4,660 |
| . Devolved Formula Capital allocations | - | 24 | 24 | 20 |
| . Other DfE / EFA grants | - | 127 | 127 | 134 |
| | - | 5,285 | 5,285 | 4,814 |
| Other Government grants | | | | |
| . Capital Accrual from LA | - | 10 | 10 | (28) |
| . Local Authority grants | - | 192 | 192 | 165 |
| . Teaching school | - | 343 | 343 | 642 |
| . Other Grants | - | 61 | 61 | 13 |
| | - | 606 | 606 | 792 |
| | - | 5,891 | 5,891 | 5,606 |

6 Other incoming resources

| | Unrestricted Funds £000 | Restricted Funds £000 | Total 2015 £000 | Total 2014 £000 |
|--------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Insurance claim | - | - | - | - |
| Academy trips | - | 229 | 229 | 245 |
| Gifts In Kind | - | - | - | - |
| Sickness insurance | - | - | - | - |
| Sundry income | 110 | - | 110 | 69 |
| | 110 | 229 | 339 | 314 |

Hope Learning Trust, York
Notes to the Financial Statements for the year ended 31 August 2015 (continued)

7 Resources Expended

| | Staff Costs £000 | Non Pay expenditure Premises £000 | Other Costs £000 | Total 2015 £000 | Total 2014 £000 |
|--|---------------------|---|---------------------|-----------------------|-----------------------|
| Costs of generating voluntary income | 55 | - | 1 | 56 | 34 |
| Academy's educational operations | | | | | |
| . Direct costs | 3,898 | 692 | 685 | 5,275 | 5,002 |
| . Allocated support costs | 707 | 479 | 432 | 1,618 | 1,327 |
| . Implementation costs | - | - | - | - | - |
| | <u>4,605</u> | <u>1,171</u> | <u>1,117</u> | <u>6,893</u> | <u>6,329</u> |
| Governance costs including allocated support costs | - | - | 28 | 28 | 16 |
| | <u>4,605</u> | <u>1,171</u> | <u>1,146</u> | <u>6,977</u> | <u>6,379</u> |

Net Incoming/outgoing resources for the period include:

| | 2015 £000 | 2014 £000 |
|----------------------------------|--------------|--------------|
| Operating leases | 20 | 20 |
| Fees payable to external auditor | 7 | 6 |
| Fees payable for internal audit | 1 | - |

8 Charitable Activities - Academy's educational operations

| | Unrestricted Funds £000 | Restricted Funds £000 | Total 2015 £000 | Total 2014 £000 |
|--|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Direct costs | | | | |
| Teaching and educational support staff costs | - | 5 | 3,893 | 3,620 |
| Depreciation | - | - | 692 | 641 |
| Technology costs | - | - | 14 | - |
| Educational supplies | 33 | - | 374 | 448 |
| Examination fees | - | - | 75 | 75 |
| Staff development | - | - | 17 | 18 |
| Educational consultancy | - | - | - | 10 |
| Teaching School | - | - | 156 | 186 |
| Other direct costs | - | - | 16 | 4 |
| | <u>38</u> | <u>5,237</u> | <u>5,275</u> | <u>5,002</u> |
| Allocated support costs | | | | |
| Support staff costs | - | 55 | 707 | 615 |
| Depreciation | - | - | - | - |
| Technology costs | - | - | 1 | - |
| Recruitment and support | - | - | 40 | 51 |
| Maintenance of premises and equipment | 4 | - | 107 | 133 |
| Energy costs | 4 | - | 116 | 120 |
| Cleaning | 5 | - | 135 | 135 |
| Rent & rates | - | - | 116 | 37 |
| Insurance | 1 | - | 76 | 46 |
| Security and transport | - | - | 35 | 36 |
| Catering | 4 | - | 53 | 39 |
| Bank interest and charges | - | - | 31 | 22 |
| Other support costs | 4 | - | 180 | 127 |
| | <u>77</u> | <u>1,597</u> | <u>1,674</u> | <u>1,361</u> |

9 Governance costs

| | Unrestricted Funds £000 | Restricted Funds £000 | Total 2015 £000 | Total 2014 £000 |
|---------------------------------|-------------------------------|-----------------------------|-----------------------|-----------------------|
| Legal and professional fees | - | - | 15 | 6 |
| Auditors' remuneration | - | - | - | - |
| . Audit of financial statements | - | - | 7 | 6 |
| . Other audit costs | - | - | 1 | 1 |
| Support costs | - | - | 5 | 3 |
| Governors' reimbursed expenses | - | - | - | - |
| | <u>-</u> | <u>28</u> | <u>28</u> | <u>16</u> |

Hope Learning Trust, York

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

10 Staff

a. Staff costs

Staff costs during the period were:

| | Total 2015 £000 | Total 2014 £000 |
|-----------------------|-----------------------|-----------------------|
| Wages and salaries | 3,773 | 3,471 |
| Social security costs | 268 | 250 |
| Other pension costs | 557 | 480 |
| | <u>4,598</u> | <u>4,201</u> |
| Supply teacher costs | 62 | 34 |
| Compensation payments | - | - |
| | <u>4,660</u> | <u>4,235</u> |

b. Staff numbers

The average number of persons (including senior management team) employed by the Academy during the year expressed as full time equivalents was as follows:

| <i>Charitable Activities</i> | 2015 No. | 2014 No. |
|------------------------------|-------------|-------------|
| Teachers | 67 | 65 |
| Administration and support | 51 | 42 |
| Management | 8 | 3 |
| | <u>126</u> | <u>110</u> |

The number of employees whose emoluments fell within the following bands was:

| | 2015 No. | 2014 No. |
|-------------------|-------------|-------------|
| Annualised | | |
| £60,001 - £70,000 | 2 | 1 |
| £70,001 - £80,000 | - | - |
| £80,001 - £90,000 | 1 | 1 |

The above employees participated in the Teachers' Pension Scheme. During the year ending 31 August 2015 pension contributions for the above amounted to £26,123.

11 Governors' remuneration and expenses

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as governors. Other governors did not receive any payments, other than expenses from the Academy in respect of their role as governors.

| | |
|----------------------------------|-------------------|
| B Crosby (Principal and trustee) | £85,000 - £90,000 |
| E O'Hara (Principal and trustee) | £65,000 - £70,000 |
| D Hosier (Staff trustee) | £40,000 - £45,000 |
| R Snowden (Staff trustee) | £15,000 - £20,000 |
| G Reagan (Staff trustee) | £45,000 - £50,000 |

During the year ending 31 August 2015 there has been no travel and subsistence expenses reimbursed to governors.

Related party transactions involving the trustees are set out in note 25.

Hope Learning Trust, York

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

12 Governors' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £2,000,000 for any one claim during any period of insurance. The cost for the year ended 31 August 2015 was £227 (2014 £227)

The cost of this insurance is included in the total insurance cost.

13 Tangible Fixed Assets

| | Freehold Land and Buildings | Leasehold Land and Buildings | Furniture and Equipment | Computer Equipment | Motor Vehicles | Total |
|------------------------|--------------------------------|---------------------------------|----------------------------|-----------------------|----------------|--------|
| | £000 | £000 | £000 | £000 | £000 | £000 |
| Cost | | | | | | |
| At 31 August 2014 | - | 19,710 | 142 | 570 | - | 20,422 |
| Additions | - | - | 18 | 115 | - | 133 |
| Transfers | - | - | - | - | - | - |
| Inherited assets | - | 4,466 | - | - | - | 4,466 |
| Disposals | - | - | - | (3) | - | (3) |
| At 31 August 2015 | - | 24,176 | 160 | 682 | - | 25,018 |
| Depreciation | | | | | | |
| At 31 August 2014 | - | 1,551 | 58 | 344 | - | 1,953 |
| Charged in year | - | 515 | 32 | 145 | - | 692 |
| Transfers | - | - | - | - | - | - |
| Disposals | - | - | - | (2) | - | (2) |
| At 31 August 2015 | - | 2,066 | 90 | 487 | - | 2,643 |
| Net book values | | | | | | |
| At 31 August 2015 | - | 22,110 | 70 | 195 | - | 22,375 |
| At 31 August 2014 | - | 18,159 | 84 | 226 | - | 18,469 |

14 Debtors

| | 2015 £000 | 2014 £000 |
|------------------------|--------------|--------------|
| Trade debtors | 29 | 6 |
| Prepayments | 119 | 95 |
| Sundry debtors | - | - |
| Grant and other income | 603 | 346 |
| VAT recoverable | 43 | 42 |
| | <u>794</u> | <u>489</u> |

15 Creditors: amounts falling due within one year

| | 2015 £000 | 2014 £000 |
|---|----------------------|----------------------|
| Trade creditors | 93 | 47 |
| Accruals and deferred income | <u>312</u> | <u>279</u> |
| | <u>405</u> | <u>326</u> |
| Deferred income | 2015 £000 | 2014 £000 |
| Deferred Income at 31 August 2014 | 116 | 112 |
| Resources deferred in the year | 129 | 116 |
| Amounts released from previous years | <u>(116)</u> | <u>(112)</u> |
| Deferred Income at 31 August 2015 | <u>129</u> | <u>116</u> |
| Deferred income included:- | | |
| Payments received for trips not yet taken place | 36 | 83 |
| Capital funding based on Financial Year | 17 | 12 |
| UFSM Provisional 2015/16 | 42 | - |
| Grants Received for Specific Projects | <u>34</u> | <u>21</u> |
| | <u>129</u> | <u>116</u> |

Hope Learning Trust, York

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

16 Funds

| | Balance at 31 August 2014 £000 | Incoming resources £000 | Resources expended £000 | Gains, losses and transfers £000 | Balance at 31 August 2015 £000 |
|--------------------------------------|---|-------------------------------|-------------------------------|--|---|
| Restricted general funds | | | | | |
| General Annual Grant (GAG) | 413 | 5,134 | (4,968) | (14) | 565 |
| Start Up Grant | - | - | - | - | - |
| Other DfE/EFA grants | - | 127 | (119) | - | 8 |
| DfE project management grants | 12 | 343 | (355) | - | - |
| LEA and other grants | - | 438 | (438) | - | - |
| Other restricted - Educational Trips | - | 229 | (229) | - | - |
| Other restricted - Pension Fund | (867) | - | (61) | (432) | (1,360) |
| | (442) | 6,271 | (6,170) | (446) | (787) |
| Restricted other funds | - | - | - | - | - |
| Restricted fixed asset funds | | | | | |
| DfE/EFA capital funding | 18,137 | 24 | (546) | 14 | 17,629 |
| Transfer of Assets on Conversion | - | 4,468 | (51) | - | 4,415 |
| LA Capital funding | 348 | 10 | (11) | - | 347 |
| Capital expenditure from GAG | - | - | - | - | - |
| Private sector capital sponsorship | - | 85 | (84) | - | 1 |
| | 18,485 | 4,585 | (692) | 14 | 22,392 |
| Endowment funds | - | - | - | - | - |
| Total restricted funds | 18,043 | 10,856 | (6,862) | (432) | 21,605 |
| Unrestricted funds | | | | | |
| Unrestricted funds | 353 | 283 | (115) | - | 521 |
| Total unrestricted funds | 353 | 283 | (115) | - | 521 |
| Total funds | 18,396 | 11,139 | (6,977) | (432) | 22,126 |

The specific purposes for which the funds are

Restricted general funds-

GAG funds are restricted to providing education

Other DfE/EFA grants relate to reimbursement for specific services

LEA grants relates to provision of Special Educational needs

Educational Trip funds are held to provide trips for students

Pension fund relates to Note 24

Restricted fixed asset funds are held for purpose of acquiring fixed assets less depreciation.

Analysis of academies by fund balance

Fund Balances at 31 August 2015 were allocated as follows:

| | Total £000 |
|---|---------------|
| Manor CE Academy | 891 |
| Poppleton Ousebank Primary School | 203 |
| Central services | - |
| Total before fixed assets and pension reserve | 1,094 |
| Restricted fixed asset fund | 22,392 |
| Pension reserve | (1,360) |
| Total | 22,126 |

Analysis of academies by cost

Expenditure incurred by each academy during the year was as follows

| | Teaching and Educational Support Staff Costs | Other Support Staff Costs | Educational Supplies | Other Costs (excluding Depreciation) | Total |
|-----------------------------------|---|------------------------------|-------------------------|--|--------------|
| Manor CE Academy | 3,500 | 657 | 377 | 1,030 | 5,564 |
| Poppleton Ousebank Primary School | 398 | 56 | 44 | 125 | 623 |
| Central Services | - | 49 | - | 49 | 98 |
| Academy Trust | 3,898 | 762 | 421 | 1,204 | 6,285 |

17 Analysis of net assets between funds

Fund balances at 31 August 2015 are represented by:

| | Unrestricted general fund £000 | Restricted general fund £000 | Restricted fixed asset fund £000 | Restricted other fund £000 | Endowment fund £000 | Total 2015 £000 |
|--------------------------|--------------------------------------|------------------------------------|---|----------------------------------|---------------------------|-----------------------|
| Tangible fixed assets | - | - | 22,375 | - | - | 22,375 |
| Current assets | 521 | 978 | 17 | - | - | 1,516 |
| Current liabilities | - | (405) | - | - | - | (405) |
| Pension scheme liability | - | (1,360) | - | - | - | (1,360) |
| Total net assets | 521 | (787) | 22,392 | - | - | 22,126 |

Hope Learning Trust, York
Notes to the Financial Statements for the year ended 31 August 2015 (continued)

18 Capital commitments

| | 2015 £000 | 2014 £000 |
|--|--------------|--------------|
| Contracted for, but not provided in the financial statements | - | - |

19 Financial commitments

Operating leases

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

| | 2015 £000 | 2014 £000 |
|--|--------------|--------------|
| <u>Land and buildings</u> | | |
| Expiring within one year | - | - |
| Expiring within two and five years inclusive | - | - |
| Expiring in over five years | - | - |
| | - | - |
| <u>Other</u> | | |
| Expiring within one year | 6 | - |
| Expiring within two and five years inclusive | 18 | 20 |
| Expiring in over five years | - | - |
| | 24 | 20 |

20 Conversion to an Academy Trust

On 1 April 2015 Poppleton Ousebank Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Hope Learning Trust, York from City of York 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 as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair value of the identifiable assets and liabilities transferred and an analysis of their recognition in the SoFA.

| | Unrestricted Funds £000 | Restricted General Funds £000 | Restricted Fixed Asset Funds £000 | Total 2015 £000 |
|--|-------------------------------|--|--|-----------------------|
| Tangible fixed assets | | | | |
| - Freehold land and buildings | - | - | - | - |
| - Leasehold land and buildings | - | - | 4,466 | 4,466 |
| - Other tangible fixed assets | - | - | - | - |
| Budget surplus / (Deficit) on LA funds | 185 | - | - | 185 |
| Budget surplus / (Deficit) on other school funds | - | - | - | - |
| LGPS pension surplus / (deficit) | - | (380) | - | (380) |
| Borrowing obligations | - | - | - | - |
| Net assets / (Liabilities) | 185 | (380) | 4,466 | 4,271 |

Hope Learning Trust, York
Notes to the Financial Statements for the year ended 31 August 2015 (continued)

| | 2015 £000 | 2014 £000 |
|---|--------------|--------------|
| 21 Reconciliation of consolidated operating (deficit)/surplus to net cash inflow from operating activities | | |
| (Deficit)/surplus on continuing operations after depreciation of assets at valuation | 4,162 | (297) |
| Depreciation (note 13) | 692 | 641 |
| (Loss)/profit on disposal of tangible fixed assets | - | - |
| Capital grants from DfE and other capital income | (4,585) | (14) |
| Gifts in Kind | - | - |
| Interest receivable (note 4) | (3) | - |
| FRS 17 pension cost less contributions payable (note 24) | 32 | 39 |
| FRS 17 pension finance income (note 24) | 29 | 21 |
| (Increase)/decrease in stocks | - | - |
| (Increase)/decrease in debtors | (305) | 86 |
| Increase/(decrease) in creditors | 79 | (7) |
| Increase/(decrease) in provisions | - | - |
| Net cash inflow from operating activities | 101 | 469 |
| 22 Capital expenditure and financial investment | | |
| Purchase of tangible fixed assets | (133) | (327) |
| Capital grants from DfE/YPLA | 24 | 20 |
| Capital funding received from sponsors and others | 95 | (6) |
| Receipts from sale of tangible fixed assets | 1 | - |
| Net cash outflow from capital expenditure and financial investment | (13) | (313) |

| 23 Analysis of changes in net funds | At 1 September 2014 £000 | Cash flows £000 | At 31 August 2015 £000 |
|--|--------------------------------|--------------------|------------------------------|
| Cash in hand and at bank | 631 | 91 | 722 |
| | 631 | 91 | 722 |

Hope Learning Trust, York

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

24 Pension commitments

The academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by North Yorkshire Pension Fund. 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 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.

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.

Hope Learning Trust, York

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

24 Pension commitments (continued)

Teachers' Pension Scheme Changes

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 since 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.

Hope Learning Trust, York

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

24 Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. Contributions to the scheme are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The total contribution made for the year ended 31 August 2015 was £171,670 (2014 £142,801) of which employer's contributions totalled £114,610 (2014 £92,053) and employees' contributions totalled £57,060 (2014 £50,748). Figures for 2015 include Poppelton Ousebank Primary School from 1 April 2015. The agreed contribution rates for future years are 14.1% for employers and 11.1% 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 of Education. The guarantee came into force on 18 July 2013.

| Principal Actuarial Assumptions | At 31 August 2015 | At 31 August 2014 |
|--|----------------------|----------------------|
| Rate of increase in salaries | 3.60% | 3.70% |
| Rate of increase for pensions in payment / inflation | 2.10% | 2.20% |
| Discount rate for scheme liabilities | 3.80% | 4.00% |
| Inflation assumption (CPI) | 2.00% | 2.20% |

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

| | At 31 August 2015 | At 31 August 2014 |
|-----------------------------|----------------------|----------------------|
| <i>Retiring today</i> | | |
| Males | 23.2 | 23.0 |
| Females | 25.7 | 25.5 |
| <i>Retiring in 20 years</i> | | |
| Males | 25.4 | 25.3 |
| Females | 28.0 | 27.8 |

Hope Learning Trust, York
Notes to the Financial Statements for the year ended 31 August 2015 (continued)

24 Pension commitments (continued)

Local Government Pension Scheme (Continued)

The Trust's share of the assets and liabilities in the scheme and the expected rates of return were:

| | Expected return at 31 August 2015 | Fair value at 31 August 2015 | Expected return at 31 August 2014 | Fair value at 31 August 2014 |
|--|--------------------------------------|---------------------------------|---|------------------------------------|
| | % | £000 | % | £000 |
| Equities | 6.80% | 648 | 7.00% | 371 |
| Government bonds | 2.20% | 178 | 2.90% | 67 |
| Other bonds | 2.70% | 80 | 3.80% | 82 |
| Property | 6.20% | 79 | 6.20% | 35 |
| Cash/liquidity | 1.00% | 11 | 0.50% | 3 |
| Other | 6.80% | 101 | 7.00% | 53 |
| Total market value of assets | | 1,097 | | 611 |
| Present value of scheme liabilities | | (2,457) | | (1,478) |
| - Funded | | | | |
| Surplus/(deficit) in the scheme | | (1,360) | | (867) |

None of the fair values of the assets shown above include any of the Trust's own financial instruments or any property occupied by, or other assets used by, the Trust.

The expected return on assets is based on the long term future expected investment return for each asset class as at the beginning of the period (i.e. As at 1 September 2014 for the year to 31 August 2015). The return on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date. The return on equities and property is then assumed to be a margin above gilt yields.

The actual return on the scheme assets was £32,000 (2014: £65,000)

Total expenditure recognised in the Statement of Financial Activities

| | 2015 £000 | 2014 £000 |
|--|--------------|--------------|
| Current service cost (net of employee contributions) | 183 | 156 |
| Past service cost | 0 | 0 |
| Total operating charge | 183 | 156 |

Analysis of pension finance income / (costs)

| | | |
|--|-------------|-------------|
| Expected return on pension scheme assets | 43 | 30 |
| Interest on pension liabilities | (72) | (51) |
| Pension finance income / (costs) | (29) | (21) |

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

24 Pension commitments (continued)

Local Government Pension Scheme (Continued)

The actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £296,000 loss (2014: £244,000 loss).

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

| | 2015 £000 | 2014 £000 |
|---|--------------|--------------|
| At 1 September | | |
| Opening defined benefit liabilities | 1,478 | 1,017 |
| Current service cost | 183 | 156 |
| Interest cost | 72 | 51 |
| Employee contributions | 57 | 51 |
| Actuarial (gain)/loss | 41 | 205 |
| Benefits paid | (5) | (2) |
| Past Service cost | - | - |
| Curtailments and settlements | - | - |
| Liabilities assumed in a business combination | 631 | - |
| At 31 August | 2,457 | 1,478 |

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

| | 2015 £000 | 2014 £000 |
|--|--------------|--------------|
| At 1 September | | |
| Opening fair value of plans' assets | 611 | 431 |
| Expected return on assets | 43 | 30 |
| Actuarial gains / (losses) | (11) | (17) |
| Employer contributions | 151 | 118 |
| Employee contributions | 57 | 51 |
| Benefits paid | (5) | (2) |
| Assets acquired in a business combination | 251 | - |
| At 31 August | 1,097 | 611 |

Hope Learning Trust, York
Notes to the Financial Statements for the year ended 31 August 2015 (continued)

24 Pension commitments (continued)

Local Government Pension Scheme (Continued)

The five-year history of experience adjustments is as follows:

| | *2015 | 2014 | 2013 | 2012 | 2011 |
|--|----------------|--------------|--------------|--------------|--------------|
| | £000 | £000 | £000 | £000 | £000 |
| Defined benefit obligation at end of year | (2,457) | (1,478) | (1,017) | (800) | (551) |
| Fair value of plan assets at end of year | 1,097 | 611 | 431 | 209 | 50 |
| Deficit | <u>(1,360)</u> | <u>(867)</u> | <u>(586)</u> | <u>(591)</u> | <u>(501)</u> |
| Experience adjustments on share of scheme assets | <u>(11)</u> | <u>(17)</u> | <u>46</u> | <u>5</u> | <u>5</u> |
| Experience adjustments on scheme liabilities: | <u>(183)</u> | <u>(156)</u> | <u>-</u> | <u>-</u> | <u>-</u> |

*Includes Poppleton Ousbanks Primary School from 1 April 2015

25 Related Party Transactions

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is feasible that transactions will take place with organisations in which a member of the board of governors may have 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 such transactions in the year to 31 August 2015.

26 Members' Liability

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