

**LOOE COMMUNITY ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

TRUSTEES' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2016

Company Registration No. 07909371 England and Wales

LOOE COMMUNITY ACADEMY TRUST

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 15
Governance statement	16 - 19
Statement on regularity, propriety and compliance	20
Statement of trustees' responsibilities	21
Independent auditor's report on the accounts	22 - 23
Independent reporting accountant's report on regularity	24 - 25
Statement of financial activities including income and expenditure account	26 - 27
Balance sheet	28
Statement of cash flows	29
Notes to the accounts including accounting policies	30 - 45

LOOE COMMUNITY ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

M Long (Chair)
HR Jenkins (Accounting officer)
SD Brock
MM Evans (Resigned 30 September 2016)
DL Glynn
L Ingham
JR Kevern
MJ Lewis
SG Minnette
BP Prisk
T Vasey
T Wardle

Members

MM Evans (resigned 30 September 2016)
HR Jenkins
KE Mordan
P Prisk
M Long (appointed 1 September 2015)

Senior management team

- Headteacher HR Jenkins
- Deputy headteacher C Damerell (Until 30 April 2016)
- Deputy headteacher H Casson
- Assistant headteacher K Jackman
- PA to the headteacher H Willars
- Business manager SP Green

Company secretary

SP Green

Company registration number

07909371 (England and Wales)

Principal address

Looe Community Academy Trust
Sunrising
EAST LOOE
Cornwall
PL13 1NQ

Registered office

Looe Community Academy Trust
Sunrising
EAST LOOE
Cornwall
PL13 1NQ

Independent auditor

Robinson Reed Layton
Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

LOOE COMMUNITY ACADEMY TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank Plc
Commercial Banking Services Centre
PO Box 340
2nd Floor, 234 High Street
EXETER
Devon
EX4 3ZB

Solicitors

Cornwall Council Legal Services
Room 458
County Hall
TRURO
Cornwall
TR1 3AY

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2016

The trustees present their annual report together with the accounts and independent auditor's report of the charitable company for the period 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The academy trust operates an academy for pupils aged 11-16 serving a catchment area in Looe, Cornwall. It has a pupil capacity of 610 and had a roll of 488 in the school census in October 2015.

Structure, governance and management

Constitution

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

The trustees of Looe Community Academy Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the charitable company has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on the charitable company's business. The insurance provides cover up to £5 million on any one claim.

Method of recruitment and appointment or election of trustees

The charitable company shall have the following trustees as set out in its Articles of Association and funding agreement:

- up to 11 trustees who are appointed by the members;
- up to 2 staff trustees who are appointed by the members;
- any additional trustees appointed by the Secretary of State;
- a minimum of 2 and up to 6 parent trustees who are elected by parents of registered pupils at the charitable company;
- up to 3 co-opted trustees who are appointed by the governing body; and
- the headteacher who is treated for all purposes as being an ex officio trustee.

The number of trustees shall not be less than 3 nor more than 23. The total number of staff trustees, including the Headteacher, shall not exceed one third of the total number of trustees appointed.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher, who remains a trustee for the duration of that appointment. Subject to remaining eligible to be a particular type of trustee, any trustee can be re-appointed or re-elected.

When appointing new trustees, the board will give consideration to the skills and experience mix of existing trustees in order to ensure that the board has the necessary skills to contribute fully to the charitable company's development.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Policies and procedures adopted for the induction and training of trustees

Key information provided to new trustees includes:

- Trustee Induction Pack which included such essential documents as the Instrument of Government and comprehensive Terms of Reference, the DfE Governor's Handbook and important websites for further information;
- Looe Community Academy Trust's trustee induction procedure;
- The Good Practice Guide for Governing Bodies - a protocol for working together;
- The Charity Commission's publications: A Guide for Trustees; Being a Trustee; Internal Controls.
- Looe Community Academy Trust's Code of Conduct.
- Committee on Standards in Public Life: The Seven Principles of Public Life.

All new trustees are assigned an experienced trustee mentor to assist them in taking on new responsibilities, and are required to attend the new trustee training course provided by County Council.

Trustees visit the academy and meet with the headteacher, deputy or assistant headteachers, business manager and leaders of curriculum departments and are encouraged to take part in the extensive range of trustee courses, particularly the Induction for Governors Part 1 and 2 and any other course that they feel would be beneficial to them. Suitably experienced trustees are appointed to monitor areas of specific responsibility, such as SEN, Pupil Premium or curriculum departments and can access further training to help with their development and understanding. All training is arranged and funded by the charitable company.

Organisational structure

Looe Community Academy Trust has followed the organisational structure laid down in the Articles of Association that were registered with Companies House on 13 January 2012.

To ensure its business is conducted efficiently, the governing body delegates responsibilities through agreed terms of reference to the following standing committees: Finance, Audit, Personnel and Premises; Curriculum; Pay; Student Health and Wellbeing. Other committees are formed as required. Trustees exercise their corporate responsibilities by serving on one or more of these committees. Outcomes are shared across the governing body through the circulation of minutes and via updates at full governing body meetings.

Day to day management of the charitable company and implementation of the governing body's strategic direction, policies and procedures is delegated to the headteacher, who is supported by two deputy headteachers (one from May 2016), an assistant headteacher and the business manager. At least one member of the charitable company's senior leadership team attends each of the committee or full governing body meetings to provide operational advice to the trustees.

A finance, audit, personnel and premises committee also meets regularly throughout the year.

The responsibilities of the finance and general purposes committee and the responsibilities of the audit committee are carried out by the finance, audit, personnel and premises committee. During the year the academy trust had to make decisions on selecting staff for redundancy and these were made by the staff selection committee and the staff selection appeals committee.

Arrangements for setting pay and remuneration of key management personnel

All decisions on pay, performance related pay and allowances for all staff are undertaken by the pay committee.

Related parties and other connected charities and organisations

None as at 31 August 2016.

Related party relationships are detailed in Note 19 to the financial statements.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Objectives and activities

Objects and aims

The charitable company was established through its articles of association with the following objects:

- 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 a school offering a broad and balanced curriculum; and
- to promote for the benefit of the inhabitants of Looe and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Objectives, strategies and activities

The charitable company's primary objectives during the year continued to be to raise student aspiration and increase collaborative working between academies to improve standards of education for all children. In addition, there was a sharp focus on developing teaching and learning.

Public benefit

The trustees have complied with their duty to have due regard to the guidance on public benefit issued by the Charity Commission in exercising their powers and duties.

About us

"Students' personal development is extremely well promoted. They are successfully encouraged to aim high and to raise their expectations. Combined with their good achievement, this enables students to be well prepared for the next stage of their education" (from our Ofsted 2015 report).

Our Academy is situated in the historic fishing town of Looe on Cornwall's outstanding south eastern coastline, serving the beautiful coastal and rural villages and hamlets in the area. Assessed by Ofsted in July 2015 as good across all categories, the Academy is an inclusive secondary community school delivering Key Stage 3 and Key Stage 4 to 610 students aged 11-16 and of mixed ability. Our mission is to create and sustain a caring, learning community of high quality, where everyone is valued for who they are and what they may become. Enshrined in Cornish, the Academy motto is "Bydh gwella gylli" (Be the best you can be).

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Strategic report

Achievements and performance

Outcomes and performance indicators

The priorities for the outcomes for the Class of 2015-16 were to:

1. Raise attainment;
2. Reduce the gap for disadvantaged pupils (Pupil Premium); and to
3. Improve the outcomes for boys.

A range of strategies were employed and there was strong performance across almost all subjects and the outcomes were:

Attainment

5+ A*-C GCSE or equivalent grades, including English and Maths	Outcome AY 2015/16	National Average 2015	Estimate FFT(D)	Prediction Autumn 2015
All pupils	47%	56%	55%	42%
Pupil Premium	17%	36%	40%	13%
Non-Pupil Premium	50%	63%	59%	50%
Pupil Premium gap	33%	27%	19%	37%
SEN	33%	32%	-	22%
Girls	57%	60%	61%	63%
Boys	31%	51%	51%	26%

The Academic Council agreed the intervention strategies for students and monitored the progress towards targets. Interventions were successful across the year for Pupil Premium students and boys who improved at 4% and 5% in attainment respectively against their predictions in the autumn term; despite their personal improvement, both sub-groups remained below national average.

In the new measure of Attainment 8 (first used in Performance Tables 2016), all pupils achieved 47.43 points, which is statistically in line with the national of 49.3, which is pleasing as this cohort was statistically below average on entry in Year 7.

Progress

In the new measure of Progress 8 (first used in Performance Tables 2016), we were pleased with a positive score of 0.17 for all pupils. All sub-groups of students were in line with national progress (source: FFT Governor Dashboard, Nov 2016).

Of particular note, the progress of girls with middle prior attainment was significantly above average, putting them in the top 10% in the country (source: Ofsted Inspection Dashboard, Nov 2016) and Maths, Humanities and Languages were also in top 10% in the country.

Although progress in English for all students is in line with national, the progress of boys with middle prior attainment and disadvantaged pupils with middle prior attainment is below average and in the bottom 10% in the country.

Progress of subjects

The progress of all students measured by average point score was significantly above average in Computer Science, Resistant Materials, PE, Geography, Dance, Art, Textiles, French, English Literature, Additional Science and Maths. Subjects in line with average were Psychology, Spanish, Further Additional Science, Catering, Engineering, Business Studies, Further Maths, History, Music, RE, English Language, English, Drama. Below average were Science (Core) and IMCT. Strategies employed for this year group with Science were particularly successful from their Core entry in Year 10 to improved outcomes in Year 11. (source: FFT Governor Dashboard 2016).

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Student achievement

Indeed, many students made significant personal achievements, with 16 students gaining 11 or more A* to C:

- One student secured 12 A and A* grades, a BTEC and an AS qualification;
- One student gained 13 GCSEs, including 12 A and A* grades;
- One student achieved 12 GCSEs, including 10 A and A* grades;
- One student secured 10 A and A* and a BTEC;
- A further 12 students secured 11 or more A* to C grades.

Validation, monitoring and tracking

The year started positively with the formal publication of our fantastic Ofsted report in September 2015 where we were judged to be good in all four areas of inspection and good overall. We have risen to the challenges as we continue our strategic journey to outstanding. Of note was Ofsted's acknowledgement that the Academy reaches out and has ambitions well above its size to ensure the best provision for our students.

This was further endorsed in December 2015 through the school improvement monitoring visit by Mr Armstrong, the Academy's External Education Consultant who reported positively that "The classrooms were calm places where meaningful learning was taking place. I observed good relationships between teachers and learners. It was clear from my conversations with students that they are encouraged to engage with their learning. They appreciate the varied diet of learning experiences they have in the classroom. They commented effusively about the help and support they received from staff and how the Academy seeks to help all students, notwithstanding their needs or abilities."

During the year we revised our progress tracking, assessment, recording, reporting and target setting systems towards the new monitoring regime.

Having identified students that were in need of additional support ahead of their examinations, we established an Academic Council to develop targeted intervention programmes to support their studies.

We were also pleased to have had a successful external BTEC Quality Review.

Staffing and staff development

There was much turbulence in Maths, English and Science during the year due to staff turnover and maternity leave.

We invested in staff development, with leaders and teaching staff engaging in a wide spectrum of formal training including: dyslexia training, Thrive training (developing emotional resilience and changing behaviours), National Professional Qualification for Middle Leadership, Established Middle Leader training, Leadership and Management Development Programme, Mastery in Mathematics, Introducing Science GCSE, Improving engagement of parents with children with SEN, Designated Child in Care Teacher induction training, BTEC Quality Nominee course, Executive Headteacher programme, Arts Award training, OCR GCSE Art course, Cornwall School Improvement Conference, Higher Level Teaching Assistant training, Dyslexia spelling workshop, National Award for SENCO, AQA English Literature training, Safe Practice in PE, EQUQAS Drama course, GCSE Religious Education examination moderation, Learning Lessons Workshop, La Salle Maths course and SEN Code of Practice Workshop.

Staff also developed and networked through professional seminars and workshops through: Cornwall Association of Secondary Headteachers (CASH), Cornwall Association of School Business Managers (CASBM), Pupil Premium conference, Cornwall Music Education Hub, Cornwall SENCO Network, Secondary Dance conference, Cornwall Designated Safeguarding Lead meetings, Association of School and College Leaders (ASCL) conference, the Schools, Students and Teachers network (SSAT), Cornwall Heads of Science, Cornwall Small Secondary Headteachers, Cornwall Maths subject leaders, IRIS Pathfinders, AQA English Hub Network, South West Education Conference, Cornwall Sport and PE Group and the IRIS community hub.

Internally we developed staff through Teach Meets and INSET sessions on questioning, visible learning and solo taxonomy.

Support staff benefitted from ParentPay training so that we could expand the online payments system beyond school meals to include trips, visits and equipment.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Estate

Following successful bids for DfE capital funding, we progressed our capital infrastructure investment during the autumn and spring terms as we improved our flat roofs by adding a new layer of insulation under a new roof deck that will improve heat retention in the cold winter months and provide long term peace of mind through the associated 20 year warranty. Additionally we installed over 40 new windows and external doors, upgraded our fire alarm system and refurbished the boys' toilets in the languages corridor.

Be the Best You Can Be

Our objective to raise student aspirations continued as we were proud to welcome back our sporting hero Michaela Breeze who updated us on her journey to Olympic medal success as part of our Be the Best you can Be programme. After inspiring the whole school (staff and students) during her previous visits, Michaela quickly engaged the new students with her charismatic story of rising from Cornish schoolgirl to British, Commonwealth and Olympic medal winner for weightlifting and how she overcame all the obstacles and barriers that threatened her journey to success and drove her to be the very best that she could be. She updated those students and staff that she had previously inspired on her recent ventures and how her life after Olympic success still presents her with different challenges and how she overcomes the challenges they present.

Student support and development

We provided students and parents with an invaluable online resource called "Show my Homework", which helps students to get organised with homework and provides visibility to parents of the homework task, supporting materials and deadlines so that they can encourage, monitor and support their child.

To achieve greater student (and parent) understanding of the curriculum, we invested in "GCSE Pod", which is an online resource containing highly concentrated, 3-5-minute bursts of audio-visual learning that provides specialist subject knowledge for 21 curriculum areas, all written by expert subject teachers and narrated by professional voice over artists with outstanding visuals and mapped to our GCSE exam boards.

There were weekly opportunities for students to receive support from our Dramatherapist, Peer Mentors, Behaviour Mentor and School Nurse and, as required, from our Dyslexia Advisor, Educational Psychologist, Education Welfare Officer, Careers Advisor, Young Carers support advisor, Brook healthy relationships and sexual health service, Cornwall Early Help co-ordinator, Autism Spectrum Disorder team, CAMHS practitioner, CLEAR therapists and Cornwall's lead teacher of the deaf.

Year 10 Peer Mentors attended a Local Heroes roadshow that challenged intolerance amongst young people to prevent bullying by celebrating diversity and empowering young people from all backgrounds to achieve their full potential. Year 8 to 10 benefited from the Brooke Diversity Role Model workshops.

We undertook a Pupil Wellbeing Survey organised by Healthy Schools Cornwall and Schools Health Education Unit to enable us to evaluate the work we do around keeping young people healthy and safe as well as identify any need for further support.

A group of students from Years 8 to 10 attended the HeadStart engagement day; HeadStart aims to improve the mental wellbeing and resilience of 10 - 16 year olds through systems change and our students were able to help develop within the project team an understanding of the key issues from a young person's perspective to ensure young people are able to shape the programme on an ongoing basis.

We introduced dedicated Tutor time to support our whole school literacy focus to improve reading.

We supported those students in making their next steps choices through a Careers and Future Pathways Fayre in which local and national employers and local educational establishments provided information and advice.

There were opportunities for students to lead or represent their peers on the Student Council, Sports Council and as House Ambassadors.

We invested in a new alternative student Curriculum Support Base to help those that need support away from the classroom environment.

Through significant partnership working with the NHS, we moved closer to delivering an Integrated Health Centre on our site so that students can access the right support when they need it and without the need to travel and miss out on learning. We expect the building work to start in November 2016.

Most adults in the Academy academically mentored students in Year 10 and Year 11 to keep them focussed and guide them through their important Key Stage 4 journey.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Student achievements

To celebrate and acknowledge the enormous positive behaviours displayed either routinely or exceptionally by students we invested in Vivo rewards, which is a web-based points system proven to improve student engagement and help achieve and maintain Academy values.

We were really proud to celebrate with our Year 11 swimming champion who won the 400m Freestyle in the 2016 British Para-Swimming International Meet and Paralympic Trials in Glasgow.

A Year 10 student was selected to play for the Plymouth Raiders regional under 16 squad.

One student represented the Academy and Cornwall in the county-level dressage competition and 3 students represented us in the Cornish Schools and Colleges Show Jumping Competition.

A talented entry by one student saw his short story selected from 123,400 entries to reach the finals of the Reading Agency's national competition.

We continued with our Junior Sports Leader Award, with almost 30 students qualifying.

We achieved beyond our size in the Cornwall Youth Games where Year 8 boys and Year 9 boys both came third overall. One student won the boys shot put, one came third in the boys high jump and two boys came third in each of their year group's 100m sprint.

We attended the Cornwall Secondary Drama Showcase with our play called "Pieces of Pears", based on the story of Cornishman Andrew Pears and his Pears soap legacy.

Our dancers entertained thousands of spectators at two Plymouth Raiders matches, winning much praise from the club and spectators.

12 students achieved the British Horse Society's Level 1 Certificate in Horse Care following after school sessions at a local riding stable.

The whole of Year 11 participated in the Big British Heart Foundation CPR Lesson to help the Foundation's drive for the nation to save lives.

Our girls progressed to the East Cornwall netball finals.

Four Year 11 students were selected to take part in a residential trip to Downing College at the University of Cambridge.

Student opportunities

Outside the Academy, our students had opportunities to attend all Plymouth Raiders home basketball matches, a Geography and Science trip to Iceland, a special performance of Lord of the Flies at the Hall for Cornwall and the Clothes Show in Birmingham as well as taking part in the Looe Literary Festival, Callington Dance Festival, BTEC Boys' Dance project, inspiring trips to the Eden Project, a Year 7 Maths Masterclass and Year 9 Maths study classes at Plymouth University, the UK Mathematics Trust's Team Maths Challenge, the Junior Maths Challenge, the Intermediate Maths Challenge for students in Year 9, 10 and 11, a visit to Cornwall Records Office, the Land Rover 4x4 Challenge, a performance of "Hitler on Trial" in Exeter for GCSE History students (designed to help students improve their performance in the GCSE History examinations), a GCSE lifesaving course, a Careers Conference in London, the Cornwall Youth Games, Autism Awareness for Years 7 and 8, annual Young Songwriter of the Year Competition, a Creative Writing Course in Looe for Year 8 students, a textiles trip to Plymouth College of Art and Design for Year 9 and 10 and the National Mock Trial competition that included visits to Plymouth and Truro Magistrates' Courts.

Additionally, over 40 students attended the Big Bang Fair at the NEC Birmingham, which is an award-winning combination of exciting theatre shows, interactive workshops and exhibits, as well as careers information from STEM (Science, Technology, Engineering and Maths) professionals that all combine to demonstrate the huge number and diversity of STEM career opportunities that exist for young people.

At the Academy we enjoyed fruits of the efforts of many students (and staff) as they delivered events in the Academy, such as: our spectacular Christmas Show; our captivating production of Annie; the annual art and design exhibition of fantastic GCSE work (with contributions from the multi-talented Academy staff); performances by our entertaining Staff Choir. Students also participated in the Summer Concert performances, a "Bollywood" workshop for BTEC Dance students, an informal concert by BTEC Music students for parents and carers, a Dance workshop with Choreographer James Wilton and the Dance Explosion performance and our GCSE Drama students worked with the East Cornwall Bach Choir for their part in the Shakespeare concert "What Will Inspires". Year 8 students engaged in Surfers Against Sewage's "Be The Change" education programme that highlights the importance of clean, happy community spaces and encourages, informs, inspires and empowers young people and the communities they represent to find solutions to the current litter crisis.

There was also an opportunity for our talented dance students to engage in the Cornwall-based dance project called "Propeller", which offers a year-long professional training programme for students interested in a career in dance; we were the most represented school at the auditions.

Our annual Challenge week saw students venture to the Isles of Scilly and the Ardèche in France as well as getting out and about locally through a comprehensive home programme that was challenging, educational and enjoyable.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

To keep us at the forefront of modern technology, we were really pleased to purchase a replacement laser precision cutting machine to ensure our students use design and production processes that replicate industry standards. We were proud of the dedication, effort and achievements of our student engineering after school club that built a battery powered vehicle that competed in the national Green Power competition, where we achieved 10th place in the South West regional event.

The whole school welcomed the incoming Year 7 students as they attended their Induction Day in the summer term.

Wider educational engagement

Though small, the Academy engages in a multitude of educational initiatives and networks, including the Looe Learning Forum, delivering French lessons and providing PE at primary schools, the South East Cornwall Curriculum Development Group, the Kernow Education Arts Partnership, a primary school transition project on Visible Learning, the local training and skills charity ECCABI, sharing our teaching and business experience with local secondary schools (including English resources, Cashless Catering and Academy conversion), hosting a parent workshop "Supporting Dyslexia at Home", hosting a dance event for primary pupils from The Bridge Multi Academy Trust, coordinating a series of Looe, Liskeard and Callington Governor Network meetings and working with primaries on English assessment and schemes of work.

Wider community engagement

We engage positively and visibly in the local community through: the Looe Neighbourhood Plan Steering Group; regular updates at Looe Town Council meetings by the Chair of our Student Council; hosting the Looe and District Churches Together Christmas lunch on Christmas Day; working with and supporting the Looe Lions Club, the Liskeard and Looe Rotary Club and the Royal British Legion (RBL); hosting residents from Hillcrest Nursing Home and young students from our local primary schools for our production of Annie; engaging in the St Piran's Day celebrations and Remembrance Sunday ceremony in Looe; engaging with local published author Ruth Saberton who addressed Year 11 students at their Record of Achievement evening; working with our local MP, Sheryll Murray, who led an assembly about her roles and responsibilities in our constituency; inviting regular visits and assemblies by staff from the community Police station to engage frequently with students; opening our doors to the local community to enjoy our annual Summer Fayre; engaging with past students through our SSAT and Future First alumni project.

Giving back to the community

Students and staff raised over £2,000 for Macmillan, Ellie's Haven, Children in Need, CHICKS, the RBL Poppy Appeal, Make a Wish, Anxiety UK, Sport Relief and Save the Children. Students undertook a creative project in their "Little Dresses for Africa" Club where they made dresses for girls and shorts for boys out of a pillow case for a child whose family might not have the means to provide new clothes.

Communication

We regularly distributed student academic reports and delivered a series of planned, timely and informative parent and carer information evenings.

Our Student Council Chair represented the Academy at the Looe Town Council meetings to inform the local community of achievements and developments at the Academy.

Health, Safety Wellbeing and Safeguarding

To align with Health and Safety Executive's recommended practice, the newly established Health and Safety Committee met termly following the Business Manager's review of H&S organisation.

We assembled a multi-faceted team of leaders, teaching and support staff and governors to undertake the 360° E-Safety review.

Training was delivered online to all staff in support of the Government's Counter-Terrorism Strategy (CONTEST) through the Prevent Strategy and we undertook Safer Recruitment training for all leaders and governors and Safeguarding Level 2 training for all staff and governors. First Aid training was provided to keep staff in date and for new additions to the response team. Key staff undertook the Working Safely at Height training. Year 11 students received a Road Safety presentation.

The document "Guidance for Safer Working Practice for those working with children and young people in education settings" was issued as required reading by all staff, volunteers and governors along with the updated Safeguarding and Child Protection Policy.

Students and staff were given an opportunity to further improve their dining experience through our annual catering survey in recognition of the key role that food plays in the daily life and wellbeing of all of us at the Academy.

The Academy's Health and Safety Audit in June 2016 has identified some areas for further development, which the Business Manager will lead on.

We had a very enjoyable and informative Health, Well-being and Sports day in June where students (and staff) had an engaging day taking part in sports and other healthy activities.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Going concern

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

Financial review

The charitable company's accounting period is for the year to 31 August 2016.

Most of the charitable company's income is derived from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the period to 31 August 2016 and the associated expenditure, are shown as restricted funds in the statement of financial activities.

The charitable company also received grants for fixed assets from:

- the EFA via the devolved formula capital grant; and
- the DfE via the Academies Capital Maintenance Fund.

Such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund will be reduced by annual depreciation charges over the expected useful life of the assets concerned.

Due to rising costs set against a prolonged and predicted "flat" DfE allocation (i.e. no provision for income to cater for inflation) and continuing reductions in income linked directly to declining student numbers due to the demographic profile of the area, the Academy had to utilise its reserves to sustain its curriculum offer and provide the best educational opportunities for our students. Trustees acknowledge that utilising reserves indefinitely is simply not sustainable and were forced to declare a state of redundancy to rebalance the reduced requirement for staff against the lower student population. In all, through redundancy and staff turnover, the Academy was forced to reduce by 21 posts across leadership, teaching and support positions. Unfortunately, student numbers continue to decline and further action will be required in FY2016/17.

Trustees are aware that our status as a single academy trust now carries a disproportionate management and administrative overhead and trustees have investigated and considered multi academy trust (MAT) status and have agreed to undertake the due diligence required on the South East Cornwall Multi Academy Regional Trust (SMART) in order to make an informed decision on the academy trust's future in FY2016/17.

Reserves policy

Looe Community Academy Trust trustees aim to control reserves to an agreed level to ensure excessive balances are not held at any one time. Trustees will ensure that delegated funds are spent appropriately on the pupils of Looe Community Academy Trust and that government balances policies will always be adhered to.

However, trustees are also aware of their responsibilities to ensure sufficient reserves are kept to ensure good financial practice and to maintain a safe financial future for Looe Community Academy Trust. Any future financial trends are identified early by good financial planning and regular monitoring by finance staff and the Looe Community Academy Trust finance committee.

The trustees consider the financial year end position of £6,701,514 (2015: £7,768,502) comprising £7,455,081 (2015: £7,704,389) of restricted fixed asset funds, £(956,000) (2015: £(425,000)) of restricted funds and £202,433 (2015: £489,113) of unrestricted funds to be satisfactory. The restricted funds consist of the pension reserve amounting to £(956,000) (2015: £(425,000)) and general restricted funds of £Nil (2015: £Nil).

The level of free reserves held by the charitable company are £202,433 (2015: £489,113).

The charitable company's net current assets total £216,545 (2015: £912,250).

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The Local Government Pension Scheme (LGPS) fund is currently in deficit. The charitable company has entered into an agreement with the LGPS trustees to make additional annual contributions of £47,600 in addition to normal funding levels, over a period of 20 years, in order to bridge the scheme deficit.

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

Investment policy and powers

The trustees of Looe Community Academy Trust are not allowed to make financial investments with any level of risk with third party organisations that may threaten the future of the charitable company. Given the extremely low levels of interest, trustees retained all surplus funds in the Academy's interest-paying current account.

Principal risks and uncertainties

The trustees use a number of charitable company policies, including health and safety, finance, safeguarding and a risk register to evaluate strategic and reputational, operational, compliance and financial risks to which the charitable company is exposed and have ensured that the management structure, systems and controls are in place to manage those risks, as well as insurance to cover financial and governance arrangements, and are satisfied with the overall assessment.

The governing body ensure regular review of risks through the reporting provided by the management team to the aforementioned board of trustees.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Financial

Our most significant strategic risk is our long term financial sustainability due to declining student numbers caused by the regional demographic profile which is exacerbated by the direct link between funding and the number of students on roll, particularly as the Academy is funded at much lower levels than many other schools in England and below the national average. Prudent financial management has secured what would appear to be healthy reserves, but these will be required over the next few years as income reduces further. The Academy has been very successful in achieving savings and efficiencies in the services and supplies that we procure, but the scale of required savings prompted a review of the curriculum offer and the associated staffing structure and staff redundancies were identified given that natural staff turnover was not sufficient to achieve all the savings; the governors achieved this through their annual strategic financial review, which indicates that further staff reductions will be required in FY2016/17 due to further reductions in students on roll.

Estate

With the majority of the site being of 1960's origin, estate management is a continuous challenge. The Academy has benefited significantly from recent external capital investment in curtain-walling, fire alarms, fire doors, window and door replacement, the insulation and refurbishment of the majority of flat roofing and two new science labs. In year funds provide for the annual maintenance, repair or replacement of old legacy equipment. The south facing three storey aspect suffers from poor quality curtain walling that lets in water and suffers significant solar heat gain, impacting adversely on the quality of the classroom environment; the Academy has trialled various means of reducing and managing the solar gain, but the intensity, even on a cold but sunny day is simply too severe to manage, so the learning environment suffers. This will form one element of the capital bid for 2016/17. The remaining estate-related operational and/or financial risks arise from a large and varied accumulation of legacy design and equipment issues, such as: an ageing, inflexible and inefficient main heating and hot water system; asbestos used extensively for lagging, lining, panelling and beading; a poorly maintained, partially collapsed and ineffective drainage system that gives rise to internal flooding during severe storms; gas installations not meeting current standards. Trustees commissioned a professional building condition survey to inform our investment decisions and our maintenance and site development programmes.

Health, safety and safeguarding

A rigorous regime of building and facilities compliance testing combined with the robust application of our policies and procedures puts us in a strong position for health and safety compliance, as demonstrated by our excellent track record. Furthermore, our recent review of safeguarding and E-safety identified areas for improvement that we have addressed. Our Health and Safety audit in June 2016 has reinforced much of our good practice and helped us prioritise our further development in this key aspect of Academy life. However, the main concerns are the poor design of the car park for the morning drop off and afternoon collection of students and the lack of access control, given the absence of security fencing around certain parts of the site perimeter; improvements in these important areas of our activities will also form part of our capital bid for 2016/17.

Personnel

Motivated, dedicated and professional teaching staff effectively supported by capable and proficient non-teaching staff remain key to delivering the best outcomes for our students. Attracting, securing and retaining the best teachers and school support staff has become increasingly challenging in a very competitive marketplace where our rival academies and other employers can set very attractive salary packages for their staff. The Academy must remain alert to the market conditions and match or better offers by other academies and employers to ensure we secure and retain the best staff.

Information systems

The protection and management of personal and sensitive information remains a key risk in an era of ever increasing reliance on electronic systems within a global environment of increasingly sophisticated and organised cyber-crime. Our investment in secure internet access and our information systems policies and procedures help us mitigate this risk while providing effective systems for our students and staff.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Plans for future periods

Our strategic aim for 2016-17 states that in order that we can enhance every student's educational experience, we aim to be the best that we can be for our community by ensuring that the Academy:

- has academic and reputational success offers a diverse educational experience;
- is inclusive and willing to embrace innovative partnerships; and
- has high values, offering outstanding pastoral care that is embedded within our community is sustainable.

Our strategic priorities for 2016-17 are:

- to eliminate achievement gaps
- to raise standards of literacy and numeracy to exceed national averages
- to raise achievement for all to exceed national averages
- to ensure quality first teaching
- to provide student access to excellent health, emotional and mental wellbeing services
- to ensure our attendance exceeds national average
- to achieve OFSTED outstanding
- to provide an engaging curriculum fit for purpose
- to optimise learning opportunities and outcomes through appropriate Academy or other status
- to secure self-sufficiency in water and electricity
- to provide all students with access to a diverse range of opportunities beyond the classroom
- to celebrate success

Our improvement priorities for 2016 -17 were informed by our recent Ofsted report, which judged the Academy to be good and provided a clear indication of why we are not yet an Outstanding school. Ofsted recommended that we improve teaching and achievement so that both are outstanding by:

- closing the attainment gap more rapidly between disadvantaged students supported by additional funding and other students by the time that they leave in Year 11;
- teachers making more effective use of questioning to deepen students' understanding and to gauge when adjustments to planned learning are necessary; and
- enabling all middle leaders to promote and sustain consistently high levels of student attainment and rapid rates of progress in all areas of the academy's work.

LOOE COMMUNITY ACADEMY TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Auditor

In so far as the trustees are aware:

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

A resolution proposing that Robinson Reed Layton be reappointed as auditor of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 07 December 2016 and signed on its behalf by:

M Long
Chair

LOOE COMMUNITY ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that Looe Community 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 Looe Community 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 Statement of Trustees' Responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
M Long (Chair)	5	5
HR Jenkins (Accounting officer)	5	5
SD Brock	5	5
MM Evans (Resigned 30 September 2016)	5	5
DL Glynn	2	5
L Ingham	4	5
JR Kevern	5	5
MJ Lewis	4	5
SG Minnette	5	5
BP Prisk	5	5
T Vasey	3	5
T Wardle	5	5

Trustees reviewed the structure of the governing body and streamlined the meeting process into what is broadly an output committee in the form of the Curriculum Committee and an input committee in the form of the Finance, Audit, Personnel and Premises Committee. Other committees were retained such as the Pay Committee and various selection and appeals committees, and these are formed as required. The new structure served the trustees well by meeting regularly to monitor and challenge the outputs and manage the inputs required to deliver the best possible opportunities for our students.

LOOE COMMUNITY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The Finance, Audit, Personnel and Premises Committee is a sub-committee of the main board of trustees. Its purpose is to:

- Assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and all resources, including staff and the proper planning, monitoring and probity and to provide support and guidance for all matters relating to the school finance, personnel, premises, grounds, security and health and safety.
- Undertake the internal audit function; including receiving the termly reports from the independent Responsible Officer.
- To make appropriate comments and recommendations on such matters to the governing body on a regular basis.
- Major issues are referred to the full governing body for ratification, unless otherwise delegated.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
M Long (Chair)	3	3
HR Jenkins (Accounting officer)	3	3
MM Evans (Resigned 30 September 2016)	2	2
DL Glynn	1	2
SG Minnette	3	3
BP Prisk	1	2
T Vasey	3	3
T Wardle	1	3

The Curriculum Committee is a sub-committee of the main board of trustees. Its purpose is to:

- To consider and advise on educational standards, targets, achievement and other matters relating to the Academy's curriculum, including Academy Improvement priorities, statutory requirements including the Safeguarding and Child Protection policy, Relationships and Sex Education policy and the Academy's Curriculum policy.
- To consider curricular or Academy Improvement issues that have financial implications and to make recommendations to the Finance, Audit, Personnel and Premises Committee.

Attendance at meetings in the year was as follows:

Trustees	Meetings attended	Out of possible
M Long (Chair)	3	3
MM Evans (Resigned 30 September 2016)	3	3
DL Glynn	1	3
L Ingham	2	3
JR Kevern	1	3
SG Minnette	2	3
BP Prisk	2	3
T Wardle	3	3

LOOE COMMUNITY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

Review of value for money

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

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

- Reviewing the curriculum offer and associated staffing structure in order to design a new staffing model that is fit for purpose in the era of declining student numbers.
- Securing efficiencies by reviewing, and wherever possible scoring, all opportunities to not replace staff arising from staff turnover against that model and to identify those positions for redundancy.
- Implementing the redundancy process to reduce staffing costs in order to ensure the Academy is sustainable.
- We engaged significantly with the NHS to provide improved health and wellbeing services on the Academy site at no cost to the Academy.
- Ensuring effective competition for all goods and services, consistently improving quality while reducing the cost of the following supporting activities:
 - Implementing cloud based SIMS via Scomis has saved over £2,000 p.a. The software is always up to date, available anywhere from any device and remote provision frees up our IT staff and reduces our IT hardware outlay. Data is backed up off site and there is improved data security through forced password renewal and automated time out for idle systems.
 - Our new one-year electricity contract saves over £5,000 through a price reduction on current volumes, although we aim to save further through reduced consumption arising from our new windows, newly insulated roofs and potential future investment in LED lighting and renewables.
 - We changed our telephone line configuration to a mix of traditional dedicated lines and internet SIP lines have saved over £1,000 p.a. while adding resilience and providing additional capacity.

The purpose of the system of internal control

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

Capacity to handle risk

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

LOOE COMMUNITY ACADEMY TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

The risk and control framework

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However the trustees have appointed G Edwards as responsible officer (RO).

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

On a termly basis, the RO reports to the board of trustees through the Finance, Audit, Personnel and Premises Committee on the operation of the systems of control and on the discharge of the financial responsibilities of the board of trustees. This includes checks and tests that include the payroll, purchases and the integrity of systems processes. In FY2015/16 RO checks identified the overpayment of one member of staff through incorrect payroll recording, which was rectified and recovered in full.

Review of effectiveness

As accounting officer the headteacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the responsible officer;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.
- the review of the Finance Policy and Scheme of Delegation.

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

Approved by order of the board of trustees on 07 December 2016 and signed on its behalf by:

M Long
Chair

HR Jenkins
Accounting officer

LOOE COMMUNITY ACADEMY TRUST

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2016

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

I confirm that I and the academy trust's board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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

Approved on 07 December 2016 and signed by:

HR Jenkins
Accounting Officer

LOOE COMMUNITY ACADEMY TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2016

The trustees (who also act as governors for Looe Community Academy Trust and are also the directors of Looe Community Academy Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts 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 accounts for each financial year. Under company law the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- 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 accounts; and
- prepare the accounts 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 accounts 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 that 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of trustees on 07 December 2016 and signed on its behalf by:

M Long
Chair

LOOE COMMUNITY ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF LOOE COMMUNITY ACADEMY TRUST

We have audited the accounts of Looe Community Academy Trust for the year ended 31 August 2016 set out on pages 26 to 45. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2015 to 2016 issued by the EFA.

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

Respective responsibilities of trustees and auditors

As explained more fully in the Trustees' Responsibilities Statement set out on page 21, the trustees, who are also the directors of Looe Community Academy Trust for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charitable company'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 accounts. In addition, we read all the financial and non-financial information in the Trustees' Report including the incorporated strategic report to identify material inconsistencies with the audited accounts 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 accounts

In our opinion the accounts:

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

Emphasis of matter

In forming our opinion on the accounts, which is not modified, we have considered the adequacy of the disclosures made in accounting policy 1.2 to the accounts and the plans for future periods in the Trustees' report concerning the academy trust's ability to continue as a going concern. The academy trust is budgeted to utilise the majority of its reserves by the end of the 2016/17 academic year, at that date the academy trust would require additional financial support to continue to operate. These conditions indicate the existence of a material uncertainty which may cast doubt about the academy trust's ability to continue as a going concern. The accounts do not include any adjustments that would result if the academy trust was unable to continue as a going concern.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts.

LOOE COMMUNITY ACADEMY TRUST

INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF LOOE COMMUNITY ACADEMY TRUST (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 accounts 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.

Mark Williams (Senior Statutory Auditor)
for and on behalf of Robinson Reed Layton

Chartered Accountants
Statutory Auditor

Peat House
Newham Road
TRURO
Cornwall
TR1 2DP

Dated: 13 December 2016

LOOE COMMUNITY ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LOOE COMMUNITY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 16 September 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Looe Community Academy Trust during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Looe Community Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Looe Community 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 Looe Community Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Looe Community Academy Trust's accounting officer and the reporting accountant

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

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by 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.

The work undertaken to draw to our conclusion includes:

- a review of minutes of all trustees' meetings;
- a review of items purchased with credit cards to ensure they are not used for personal benefit;
- a review of financial transactions for any unusual transactions which may be improper;
- a review of all the activities of the charitable company to ensure that they are in keeping with the charitable company's framework and the charitable objectives;
- a review of pecuniary interest forms to ensure all key staff and trustees have declared their interest in related parties, as well as discussion and testing of these forms;
- a review of expenditure to ensure it does not contravene the funding agreement; and
- a review of procurement procedures to ensure activity is in accordance with Annex 4.4 of Managing Public Money.

LOOE COMMUNITY ACADEMY TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO LOOE COMMUNITY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (CONTINUED)

Conclusion

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

Mark Williams

Reporting Accountant

Robinson Reed Layton

Dated: 13 December 2016

LOOE COMMUNITY ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £	Restricted funds: General Fixed asset £ £		Total 2016 £	Total 2015 £
Income and endowments from:						
Donations and capital grants	2	5,718	-	12,674	18,392	535,489
Charitable activities:						
- Funding for educational operations	3	119,870	2,835,522	-	2,955,392	3,068,083
Other trading activities	4	35,318	-	-	35,318	37,529
Investments	5	773	-	-	773	1,045
Total income and endowments		<u>161,679</u>	<u>2,835,522</u>	<u>12,674</u>	<u>3,009,875</u>	<u>3,642,146</u>
Expenditure on:						
Charitable activities:						
- Educational operations	7	-	3,280,079	288,784	3,568,863	3,609,056
Total expenditure	6	<u>-</u>	<u>3,280,079</u>	<u>288,784</u>	<u>3,568,863</u>	<u>3,609,056</u>
Net income/(expenditure)		161,679	(444,557)	(276,110)	(558,988)	33,090
Transfers between funds		(448,359)	421,557	26,802	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	16	-	(508,000)	-	(508,000)	(18,000)
Net movement in funds		<u>(286,680)</u>	<u>(531,000)</u>	<u>(249,308)</u>	<u>(1,066,988)</u>	<u>15,090</u>
Reconciliation of funds						
Total funds brought forward		489,113	(425,000)	7,704,389	7,768,502	7,753,412
Total funds carried forward		<u>202,433</u>	<u>(956,000)</u>	<u>7,455,081</u>	<u>6,701,514</u>	<u>7,768,502</u>

LOOE COMMUNITY ACADEMY TRUST

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

Comparative year information Year ended 31 August 2015	Notes	Unrestricted	Restricted funds:		Total
		Funds	General	Fixed asset	2015
		£	£	£	£
Income and endowments from:					
Donations and capital grants	2	7,251	-	528,238	535,489
Charitable activities:					
- Funding for educational operations	3	112,301	2,955,782	-	3,068,083
Other trading activities	4	37,529	-	-	37,529
Investments	5	1,045	-	-	1,045
Total income and endowments		<u>158,126</u>	<u>2,955,782</u>	<u>528,238</u>	<u>3,642,146</u>
Expenditure on:					
Charitable activities:					
- Educational operations	7	-	3,299,573	309,483	3,609,056
Total expenditure	6	<u>-</u>	<u>3,299,573</u>	<u>309,483</u>	<u>3,609,056</u>
Net income/(expenditure)		158,126	(343,791)	218,755	33,090
Transfers between funds		(338,247)	264,353	73,894	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	16	-	(18,000)	-	(18,000)
Net movement in funds		<u>(180,121)</u>	<u>(97,438)</u>	<u>292,649</u>	<u>15,090</u>
Reconciliation of funds					
Total funds brought forward		669,234	(327,562)	7,411,740	7,753,412
Total funds carried forward		<u>489,113</u>	<u>(425,000)</u>	<u>7,704,389</u>	<u>7,768,502</u>

LOOE COMMUNITY ACADEMY TRUST

BALANCE SHEET

AS AT 31 AUGUST 2016

		2016		2015	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		7,440,969		7,281,252
Current assets					
Debtors	12	96,636		186,323	
Cash at bank and in hand		353,411		1,096,892	
		<u>450,047</u>		<u>1,283,215</u>	
Current liabilities					
Creditors: amounts falling due within one year	13	(233,502)		(370,965)	
Net current assets			216,545		912,250
Net assets excluding pension liability			<u>7,657,514</u>		<u>8,193,502</u>
Defined benefit pension liability	16		(956,000)		(425,000)
Net assets			<u>6,701,514</u>		<u>7,768,502</u>
Funds of the academy trust:					
Restricted funds	14				
- Fixed asset funds			7,455,081		7,704,389
- Pension reserve			(956,000)		(425,000)
Total restricted funds			<u>6,499,081</u>		<u>7,279,389</u>
Unrestricted income funds	14		202,433		489,113
Total funds			<u>6,701,514</u>		<u>7,768,502</u>

The accounts set out on pages 26 to 45 were approved by the board of trustees and authorised for issue on 07 December 2016 and are signed on its behalf by:

M Long
Chair

Company Number 07909371

LOOE COMMUNITY ACADEMY TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £	£	2015 £	£
Cash flows from operating activities					
Net cash used in operating activities	17		(308,427)		(103,694)
Cash flows from investing activities					
Dividends, interest and rents from investments		773		1,045	
Capital grants from DfE and EFA		12,674		523,518	
Capital funding from sponsors and others		-		4,720	
Payments to acquire tangible fixed assets		(448,501)		(250,838)	
			<u>(435,054)</u>		<u>278,445</u>
Change in cash and cash equivalents in the reporting period			<u>(743,481)</u>		<u>174,751</u>
Cash and cash equivalents at 1 September 2015			1,096,892		922,141
Cash and cash equivalents at 31 August 2016			<u><u>353,411</u></u>		<u><u>1,096,892</u></u>

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

Looe Community Academy Trust is a charitable company. The address of its principal place of business is given on page 1 and the nature of its operations are set out in the trustees' report.

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

1.1 Basis of preparation

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

Looe Community Academy Trust meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of Looe Community Academy Trust prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 21.

1.2 Going concern

The trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts.

The trustees acknowledge that the academy trust has experienced several years of deficits, as a result of falling pupil numbers and a corresponding drop in funding. Work is being undertaken to ensure a balanced budget is achieved in future years, the trustees are looking at a range of options, including the possibility of joining a Multi Academy Trust. Therefore the trustees believe that the accounts should continue to be prepared on the going concern basis.

1.3 Income

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

Grants receivable

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

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

General Annual Grant is recognised in full in the statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income

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

Donations

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

Other income

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

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

Charitable activities

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

Governance costs

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

Termination benefits

Termination benefits are recognised immediately as an expense when the Academy is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.5 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding that require the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Leasehold land & buildings	2 - 5% per annum on cost
Computer equipment	33% per annum on cost
Furniture & equipment	20% per annum on cost

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.

1.6 Liabilities

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

1.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies

(Continued)

1.8 Taxation

The academy trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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 benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 16, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

1.10 Fund accounting

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

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

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

1.11 Critical accounting estimates and areas of judgement

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

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

1 Accounting policies (Continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 16, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Capital grants	-	12,674	12,674	523,518
Other donations	5,718	-	5,718	11,971
	<u>5,718</u>	<u>12,674</u>	<u>18,392</u>	<u>535,489</u>

3 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
DfE / EFA grants				
General annual grant (GAG)	-	2,668,122	2,668,122	2,747,749
Other DfE / EFA grants	-	146,403	146,403	179,002
	<u>-</u>	<u>2,814,525</u>	<u>2,814,525</u>	<u>2,926,751</u>
Other government grants				
Local authority grants	-	20,997	20,997	29,031
	<u>-</u>	<u>20,997</u>	<u>20,997</u>	<u>29,031</u>
Other funds				
Other incoming resources	119,870	-	119,870	112,301
	<u>119,870</u>	<u>-</u>	<u>119,870</u>	<u>112,301</u>
Total funding	<u>119,870</u>	<u>2,835,522</u>	<u>2,955,392</u>	<u>3,068,083</u>

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

4 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Hire of facilities	22,010	-	22,010	28,421
Other income	13,308	-	13,308	9,108
	<u>35,318</u>	<u>-</u>	<u>35,318</u>	<u>37,529</u>

5 Investment income

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Short term deposits	773	-	773	1,045
	<u>773</u>	<u>-</u>	<u>773</u>	<u>1,045</u>

6 Expenditure

	Staff costs £	Premises costs £	Other costs £	Total 2016 £	Total 2015 £
Academy's educational operations					
- Direct costs	2,129,393	-	340,647	2,470,040	2,428,197
- Allocated support costs	499,420	354,144	245,259	1,098,823	1,180,859
	<u>2,628,813</u>	<u>354,144</u>	<u>585,906</u>	<u>3,568,863</u>	<u>3,609,056</u>
Total expenditure	<u>2,628,813</u>	<u>354,144</u>	<u>585,906</u>	<u>3,568,863</u>	<u>3,609,056</u>

Net income/(expenditure) for the year includes:

	2016 £	2015 £
Fees payable to auditor for:		
- Audit	2,850	2,650
- Other services	2,875	2,675
Operating lease rentals	49,136	35,161
Depreciation of tangible fixed assets	288,784	292,097
Gain/(loss) on disposal of fixed assets	-	17,386
	<u>343,695</u>	<u>335,069</u>

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

7 Charitable activities

	2016 £	2015 £
All from restricted funds:		
Direct costs - educational operations	2,470,040	2,428,197
Support costs - educational operations	1,098,823	1,180,859
	<u>3,568,863</u>	<u>3,609,056</u>

	2016 £	2015 £
Analysis of support costs		
Support staff costs	499,420	517,070
Depreciation and amortisation	288,784	309,483
Technology costs	5,011	10,148
Premises costs	160,706	171,615
Other support costs	140,613	168,687
Governance costs	4,289	3,856
	<u>1,098,823</u>	<u>1,180,859</u>

8 Staff costs

	2016 £	2015 £
Wages and salaries	1,974,703	2,000,320
Social security costs	150,583	136,302
Operating costs of defined benefit pension schemes	361,300	334,819
	<u>2,486,586</u>	<u>2,471,441</u>
Staff costs	2,486,586	2,471,441
Supply staff costs	57,754	55,836
Staff restructuring costs	71,306	33,401
Staff development and other staff costs	13,167	18,695
	<u>2,628,813</u>	<u>2,579,373</u>

Staff numbers

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

	2016 Number	2015 Number
Teachers	61	59
Administration and support	31	32
Management	5	5
	<u>97</u>	<u>96</u>

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

8 Staff costs

(Continued)

Higher paid staff

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

	2016 Number	2015 Number
£60,001 - £70,000	-	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-
	<u> </u>	<u> </u>

Non statutory/non-contractual staff severance payments

Staff restructuring costs totalling £71,306 (2015: £33,401) comprise of redundancy costs of £31,306 (2015: £Nil) and severance payments of £40,000 (2015: £33,401).

Included in severance payments is one non-statutory/non-contractual severance payment totalling £40,000 (2015: three totalling £33,401).

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £367,227 (2015: £317,354).

9 Trustees' remuneration and expenses

The headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. During the year travel and subsistence payments totalling £25 (2015: £99) were reimbursed to 1 trustee (2015: 1).

The value of trustees' remuneration was as follows:

HR Jenkins (headteacher and trustee):

- Remuneration £80,000- £85,000 (2015: £75,000 - £80,000)
- Employer's pension contributions £10,000 - £15,000 (2015: £10,000 - £15,000)

JR Kevern (staff trustee):

- Remuneration £35,000 - £40,000 (2015: £35,000 - £40,000)
- Employer's pension contributions £5,000 - £10,000 (2015: £5,000 - £10,000)

SG Minnette (staff trustee):

- Remuneration £20,000 - £25,000 (2015: £20,000 - £25,000)
- Employer's pension contributions £5,000 - £10,000 (2015: £5,000 - £10,000)

Other related party transactions involving the trustees are set out within the related parties note.

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

10 Trustees and officers insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was £356 (2015: £1,835).

11 Tangible fixed assets

	Leasehold land & buildings £	Computer equipment £	Furniture & equipment £	Total £
Cost				
At 1 September 2015	7,606,372	136,052	486,404	8,228,828
Additions	431,643	3,238	13,620	448,501
At 31 August 2016	8,038,015	139,290	500,024	8,677,329
Depreciation				
At 1 September 2015	541,178	93,779	312,619	947,576
Charge for the year	161,133	27,646	100,005	288,784
At 31 August 2016	702,311	121,425	412,624	1,236,360
Net book value				
At 31 August 2016	7,335,704	17,865	87,400	7,440,969
At 31 August 2015	7,065,194	42,273	173,785	7,281,252

The net book value of land and buildings comprises:

	2016 £	2015 £
Long leaseholds (over 50 years)	7,335,704	7,065,194

12 Debtors

	2016 £	2015 £
VAT recoverable	17,662	21,826
Prepayments and accrued income	78,974	164,497
	96,636	186,323

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

13 Creditors: amounts falling due within one year			2016	2015	
			£	£	
Trade creditors			24,227	80,747	
Other taxation and social security			85,976	81,958	
Accruals and deferred income			123,299	208,260	
			<u>233,502</u>	<u>370,965</u>	
			<u><u>233,502</u></u>	<u><u>370,965</u></u>	
14 Funds	Balance at 1 September 2015	Incoming resources	Resources expended	Gains, losses & transfers	Balance at 31 August 2016
	£	£	£	£	£
Restricted general funds					
General Annual Grant	-	2,668,122	(3,089,679)	421,557	-
Other DfE / EFA grants	-	146,403	(146,403)	-	-
Other government grants	-	20,997	(20,997)	-	-
	<u>-</u>	<u>2,835,522</u>	<u>(3,257,079)</u>	<u>421,557</u>	<u>-</u>
Funds excluding pensions	-	2,835,522	(3,257,079)	421,557	-
Pension reserve	(425,000)	-	(23,000)	(508,000)	(956,000)
	<u>(425,000)</u>	<u>2,835,522</u>	<u>(3,280,079)</u>	<u>(86,443)</u>	<u>(956,000)</u>
	<u><u>(425,000)</u></u>	<u><u>2,835,522</u></u>	<u><u>(3,280,079)</u></u>	<u><u>(86,443)</u></u>	<u><u>(956,000)</u></u>
Restricted fixed asset funds					
DfE / EFA capital grants	1,230,299	12,674	(64,732)	-	1,178,241
Inherited funds	6,322,685	-	(192,651)	-	6,130,034
Capital expenditure from GAG	121,191	-	(28,801)	34,922	127,312
Private sector capital sponsorship	30,214	-	(2,600)	(8,120)	19,494
	<u>7,704,389</u>	<u>12,674</u>	<u>(288,784)</u>	<u>26,802</u>	<u>7,455,081</u>
	<u><u>7,704,389</u></u>	<u><u>12,674</u></u>	<u><u>(288,784)</u></u>	<u><u>26,802</u></u>	<u><u>7,455,081</u></u>
Total restricted funds	<u><u>7,279,389</u></u>	<u><u>2,848,196</u></u>	<u><u>(3,568,863)</u></u>	<u><u>(59,641)</u></u>	<u><u>6,499,081</u></u>
Unrestricted funds					
General funds	489,113	161,679	-	(448,359)	202,433
	<u>489,113</u>	<u>161,679</u>	<u>-</u>	<u>(448,359)</u>	<u>202,433</u>
	<u><u>489,113</u></u>	<u><u>161,679</u></u>	<u><u>-</u></u>	<u><u>(448,359)</u></u>	<u><u>202,433</u></u>
Total funds	<u><u>7,768,502</u></u>	<u><u>3,009,875</u></u>	<u><u>(3,568,863)</u></u>	<u><u>(508,000)</u></u>	<u><u>6,701,514</u></u>

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

14 Funds

(Continued)

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

Restricted general funds - The restricted general fund includes grants receivable from the Education Funding Agency and the Department for Education towards the principal activity of the academy, being the provision of education.

Restricted fixed asset funds - The restricted fixed asset fund includes the leasehold property and furniture and equipment transferred to Looe Community Academy Trust on 1 February 2012 and Education Funding Agency grants which have been received. The fund is being reduced by the depreciation in the period.

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

15 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	7,440,969	7,440,969
Current assets	435,935	-	14,112	450,047
Creditors falling due within one year	(233,502)	-	-	(233,502)
Defined benefit pension liability	-	(956,000)	-	(956,000)
	<u>202,433</u>	<u>(956,000)</u>	<u>7,455,081</u>	<u>6,701,514</u>

16 Pensions and similar obligations

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cornwall Council. Both are multi employer 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 2012 and of the LGPS 31 March 2013.

Contributions amounting to £42,346 (2015: £41,547) were payable to the schemes at 31 August 2016 and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

16 Pensions and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

During the year the employer contribution rate was 16.48%. The TPS valuation for 2012 determined an employer rate of 16.48%, which was payable from September 2015. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to the TPS in the period amounted to £217,835 (2015: £185,511).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 17.5% for employers and 5.5% - 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £143,000.

The academy has entered into an agreement with the LGPS trustees to make additional annual contributions of £47,600 in addition to normal funding levels, over a period of 20 years, in order to bridge the scheme deficit.

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.

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

16 Pensions and similar obligations (Continued)

Total contributions made	2016 £	2015 £
Employer's contributions	143,000	145,000
Employees' contributions	32,000	32,000
	<u>175,000</u>	<u>177,000</u>

Principal actuarial assumptions	2016 %	2015 %
Rate of increases in salaries	4.1	4.5
Rate of increase for pensions in payment	2.1	2.6
Discount rate	2	3.7
Commutation of pensions to lump sums relating to pre-April 2008 services	40	40
Commutation of pensions to lump sums relating to post-April 2008 services	70	70
	<u>70</u>	<u>70</u>

Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions as at 31 August 2016:

0.5% decrease in Real Discount Rate - 12% approximate increase to Employer Liability equating to approximately £299,000.

1 year increase in member life expectancy - 3% approximate increase to Employer Liability equating to approximately £76,000.

0.5% increase in the Salary Increase Rate - 4% approximate increase to Employer Liability equating to approximately £96,000.

0.5% increase in the Pension Increase Rate - 8% approximate increase to Employer Liability equating to approximately £193,000.

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

	2016 Years	2015 Years
Retiring today		
- Males	22.2	22.2
- Females	24.4	24.4
Retiring in 20 years		
- Males	24.4	24.4
- Females	26.8	26.8
	<u>26.8</u>	<u>26.8</u>

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

16 Pensions and similar obligations	(Continued)	
The academy trust's share of the assets in the scheme	2016	2015
	Fair value	Fair value
	£	£
Equities	762,000	530,000
Bonds	683,000	646,000
Property	111,000	91,000
Other assets	32,000	26,000
	<u>1,588,000</u>	<u>1,293,000</u>
Actual return on scheme assets - gain/(loss)	<u>145,000</u>	<u>39,000</u>
Amounts recognised in the statement of financial activities	2016	2015
	£	£
Current service cost (net of employee contributions)	151,000	153,000
Net interest cost	<u>15,000</u>	<u>14,000</u>
Changes in the present value of defined benefit obligations		2016
		£
Obligations at 1 September 2015		1,718,000
Current service cost		151,000
Interest cost		66,000
Employee contributions		32,000
Actuarial loss		602,000
Benefits paid		(25,000)
		<u>2,544,000</u>
At 31 August 2016		<u>2,544,000</u>
Changes in the fair value of the academy trust's share of scheme assets		2016
		£
Assets at 1 September 2015		1,293,000
Interest income		51,000
Return on plan assets (excluding amounts included in net interest):		
Actuarial gain		94,000
Employer contributions		143,000
Employee contributions		32,000
Benefits paid		(25,000)
		<u>1,588,000</u>
At 31 August 2016		<u>1,588,000</u>

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

17 Reconciliation of net income/(expenditure) to net cash flows from operating activities	2016	2015
	£	£
Net income/(expenditure) for the reporting period	(558,988)	33,090
Adjusted for:		
Capital grants from DfE/EFA and other capital income	(12,674)	(528,238)
Investment income	(773)	(1,045)
Defined benefit pension costs less contributions payable	8,000	8,000
Defined benefit pension net finance cost/(income)	15,000	14,000
Depreciation of tangible fixed assets	288,784	292,097
Losses/(profits) on disposals of fixed assets	-	17,386
(Increase)/decrease in debtors	89,687	(55,124)
Increase/(decrease) in creditors	(137,463)	116,140
Net cash used in operating activities	<u>(308,427)</u>	<u>(103,694)</u>

18 Commitments under operating leases

At 31 August 2016 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2016	2015
	£	£
Amounts due within one year	24,108	32,329
Amounts due in two and five years	14,789	33,268
	<u>38,897</u>	<u>65,597</u>

19 Related party transactions

Owing to the nature of the academy trust'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 trustees have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy trust's financial regulations and normal procurement procedures.

The following related party transactions took place in the period of account:

Kernow Education Arts Partnership - a charity in which HR Jenkins, headteacher and trustee, was a trustee until 3 October 2015. Transactions totalling £Nil (2015: £410) relating to the cost of conferences attended took place in the period. £Nil (2015: £Nil) was outstanding at 31 August 2016.

Sheila's School of Dancing - a business in which SD Brock, trustee, is the owner. Transactions totalling £400 (2015: £445) relating to the rental of the main hall for rehearsals and a performance took place in the year. £Nil was included in accrued income at the year end (2015: £445).

LOOE COMMUNITY ACADEMY TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

20 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.

21 Reconciliations on adoption of FRS 102

Reconciliation of funds for the previous financial period

	1 September 2014 £	31 August 2015 £
Funds as reported under previous UK GAAP and under FRS 102	7,753,412	7,768,502
Change in recognition of LGPS interest cost	1 -	-
	<u> </u>	<u> </u>

Reconciliation of net income for the previous financial period

	2015 £
Net income as reported under previous UK GAAP and under FRS 102	15,090
Change in recognition of LGPS interest cost	1 -
	<u> </u>

Notes to reconciliations on adoption of FRS 102

1 Change in recognition of LGPS interest cost

Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS 102 a net interest expense, based on the net defined benefit liability, is recognised in income/expense. There has been no change in the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to expense by £13,000 and increase the credit in other recognised gains and losses in the SoFA by an equivalent amount.