

Company Registration No. 07523884 (England and Wales)

**CHRISTLETON LEARNING TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

CHRISTLETON LEARNING TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Members/ Trustees

- Member	Hems de Winter
- Member/ Trustee	Bank of America Merrill Lynch (Corporate) Paul Heath Jean Charlton Sue Leake (Chair)
- Trustees	Euan Imrie Nick Crowther Michael Dempsey (nominated Trustee of BAML) Kayte Parlevliet (from 1st June 2017)

Senior management team

- Chief Executive Officer (CEO)	Tony Lamberton
- Academy Trust Business Director (ATBD)	Nigel Follos
- Headteacher (CHS)	Damian Stenhouse
- Headteacher (QPH)	Lyndsay Watterson

Company registration number 07523884 (England and Wales)

Principal and Registered Office
Christleton Learning Trust
Village Road
Christleton
Chester
CH3 7AD

Academies operated

Christleton High School
Queen's Park High School

Location

Christleton, Chester, CH3 7AD
Handbridge, Chester, CH4 7AE

Principal

D Stenhouse
L Watterson

Independent auditor

RSM UK Audit LLP
5th Floor
One City Place
Queens Road
Chester
CH1 3BQ

Bankers

Lloyds Bank PLC
8 Foregate Street
Chester
CH1 1XP

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2017. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

During the year the trust operated two secondary academies in Chester. Its academies have a combined pupil capacity of 2,800 and had a roll of 1,815 in the school census in October 2017.

Principal Activities

The principal activity is to advance education for the public benefit by establishing, maintaining, managing and developing schools offering a broad and balanced curriculum for students of different abilities between the ages of 11 – 18.

As at 31 August 2017, those schools were Christleton High School (CHS) and Queen's Park High School (QPHS), who on academisation, joined the trust on 01 April 2017.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Multi Academy Trust (MAT) 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 MAT.

During the year, the MAT appointed seven individuals to act as the Trustees for the charitable activities of Christleton Learning Trust and are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Christleton Learning Trust. The Trustees are appointed on a four year rolling basis.

Details of the Trustees who served throughout the year except as noted 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 school has purchased insurance to protect Trustees, Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The limit of this indemnity is £10,000,000 maximum aggregate in any one membership year.

Method of recruitment and appointment or election of trustees

On 1 September 2016 the members appointed six Trustees, 5 of whom had served the predecessor academy school (CHS), as Trustees of the newly formed MAT. These Trustees were initially appointed on a four year term of office, to provide initial stability. It was agreed that, on expiry of the initial term, future appointments would be of varying terms, to ensure a staggered re-election or replacement process. It was agreed that the seventh Trustee would be appointed upon the then likely academisation of QPHS. On 1 June 2017, following QPHS joining the MAT, a further Trustee was appointed.

When appointing new Trustees, the Members 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 Trust's development.

All Trustees annually complete a Skills audit and Training Needs Analysis. All Trustees submit a comprehensive curriculum vitae and skills audit, which are used as a key part of the appointment process and to determine future training needs.

All members and Trustees have signed an appointment letter outlining role and responsibilities.

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

Policies and procedures adopted for the induction and training of trustees

There is a comprehensive Trustee Induction Programme managed by the Academy Trust Business Director (ATBD), who is also the Clerk to the Trustees, tailored to the individual and includes briefings by senior staff, tour of the school to meet staff and students as well as being provided with papers necessary for the fulfilment of the role.

All members and Trustees have signed relevant appointment letters and their roles and responsibilities are set out in Code of Governance Guidelines, adopted by members and Trustees within the year. These are consistent with the guidance contained within academies' Financial Handbook.

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

Organisational structure

The Trustees normally meet a minimum of three times per year. They have established an overall framework for the governance of the Trust and determine membership, terms of reference and procedures of Committees and other groups, which are reviewed whenever deemed necessary or annually as a minimum. They receive reports including policies from its Committees for ratification and monitor the activities of the Committees through the minutes of their meetings. The Trustee Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

Normally, during the year there will be two committees, meeting termly, both of which are responsible for Trust policy, practice and performance and to monitor aspects of their work by discussion/review/challenge:

- Audit and Finance Committee - financial management, compliance with reporting and regulatory requirements, receiving reports from the Auditors and drafting the annual budget.
- Staffing and Standards Committee – performance management, staffing levels, strategic appointments, salaries, CPD, work-life balance and personnel policies.

During the year, to enhance the management of the MAT in its formative first year, these committees were not convened but the number of full Business meetings were increased and those committee agenda items discussed in those Business meetings. Therefore, during the year, 7 Business meetings were held.

The following decisions are reserved for the Trustees:

- To consider any proposals for changes to the status or constitution of the Trust and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Chief Executive Officer (CEO) and Clerk to the Trustees, to approve the Development Plan and budget.
- The Trustees are responsible for setting general policy, approving the statutory accounts, monitoring the Trust by the use of budgets and other data, and making major decisions about the direction of the Trust, its schools, capital expenditure and staff appointments.

The Trustees devolved responsibility for day to day management of the Academy to the CEO, Headteachers of the schools and the ATBD.

The CEO is the Accounting Officer and the ATBD is the Financial Officer.

Organisational structures – Schools level

Each school within the Trust, has a leadership structure which consists of a local Governing Body of elected and appointed Governors and a Senior Leadership Group. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Senior Leadership Teams within each school, consist of a Headteacher, Deputy Headteacher, Business Manager, Assistant Headteachers, and Senior Teachers. The exact numbers at each school varies with the specific needs of that school.

The Leadership Group controls the school at an executive level, implementing the policies laid down by the Trustees and Governors and reporting back to them. The Headteacher, Business Manager and Resources Committees are responsible for the authorisation of spending within agreed budgets. Departmental spending control is devolved to Budget Holders. The Headteacher is responsible for the appointment of staff, though appointment panels for teaching posts may often include a Governor.

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

Arrangements for setting pay and remuneration of key management personnel

A Performance Review committee has been set up to monitor performance and remuneration. Performance targets and salaries for key Trust personnel are agreed annually by the committee. Remuneration for key management personnel is reviewed as roles change. Similar arrangements exist at each School level.

The Trustees consider the Board of Trustees and the CEO and the Senior Management Team as comprising the key management personnel of the MAT in charge of directing and controlling the charity and running and operating the charity on a day to day basis. All Trustees give of their time freely and no Trustee remuneration was paid in the year for their role as trustees. Details of related party transactions are disclosed in note 28 to the accounts.

Trustees are required to disclose all relevant interests on an annual basis and as a standing agenda item at all board meetings, then in accordance with the Trust's policy withdraw from decisions where a conflict of interest arises.

Related parties and other connected charities and organisations

Connected charities and organisations

Brio Leisure (a Community Interest Company) manages the leisure facilities which are owned by Cheshire West and Chester Borough Council (CWAC) and there is a shared use agreement between CWAC and Christleton High School, which took effect on 1st September 2014. This contract is delivering the anticipated benefits to the school.

The MAT has strong collaborative links with its feeder primary schools, the three other high schools in the area, Tarporley, Neston and Bishop Heber as part of the REAP group and with the University of Chester.

The MAT has active parent teacher associations – the Christleton High School Association (CHSA) which actively supports the work of Christleton High School and Queen's Park Parents Association supporting the work of Queen's Park High School.

At the time of transfer of QPHS to Christleton Learning Trust the boathouse was decrepit with a proposed investment from local community groups grants and local authority support for a rebuild costing circa £3m. This has subsequently gone to planning although all funds have not been raised. In amicable discussion backed up with legal advice from all parties (DFE in our case) it was decided to exclude the land transfer of the boathouse site to support the projects continuation. Safeguarding of the students participation and use of the facility is though the current joint use and through a direct representation on any future community interest company which takes over the management of the facility. The trust is not exposed to any financial risk but wishes to actively support the proposed development.

Related party

In the year, transactions took place with Christleton International Studio, the proposed new studio school. The school was in project development stage and 3 of the Trustees, Mrs S Leake, Mr M Dempsey and Mrs J Charlton were Trustees of Christleton International Studio.

There are no other related parties which either control or significantly influence the decisions and operations of the school. There are no sponsors.

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

Risk management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to the proposed MAT developments to specific teaching, provision of facilities and other operational areas, and its finances.

The Trustees have implemented a system to assess risks that the MAT faces, especially in operational areas (e.g. in relation to teaching, health & safety and trips) and in relation to the control of finance. They have introduced systems, including operational and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured that they have adequate insurance cover and have remained within the Government's RPA Programme within the financial year. A number of smaller risks, not covered by the scheme, are insured via commercial organisations.

The MAT has undertaken a full review of the main areas of risks that it faces. This includes but is not limited to all health and safety and child protection policies and procedures. In addition a review of all financial risks is undertaken on a regular basis.

The MAT has a formal Risk Management process to assess business risks and to implement risk management strategies. This process involves identifying the types of risk the MAT faces, scoring and prioritising the risks in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating the risks. A Risk Register is maintained and reviewed on a regular basis, and a formal end of year review within the Summer Term Business Meeting.

Specific school risks are delegated to the local governing bodies and are formally reviewed by the local Governing Bodies on a regular basis with a formal annual review.

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

OBJECTIVES AND ACTIVITIES

The object of the MAT is to manage and develop schools offering a broad and balanced curriculum.

The MAT is a caring, successful and improving Trust which serves students with high quality learning to give the best possible life chances. We aim to get the best for, and from, each student, so that they can "Be the best they can be". We intend to enable each student to realise his or her full academic, creative and physical potential, and to develop positive social and moral values. Our MAT is a community in which students, staff and parents are a part of this caring environment.

We currently have two academies with many high achieving students and strong, purposeful leadership determined to pursue excellence, to challenge existing norms and to be even more ambitious in our aspirations for the academies and their students. Our primary focus is to ensure our students make significant progress and achieve high degrees of success in their examinations. We are continuing to work through and deliver the objectives laid out in each school's Strategic Development Plan to ensure that teaching and learning is of the highest standard so that our students receive a truly comprehensive education and achieve the very best they can.

Capital work and grants

At both sites, we continue to upgrade our buildings and enhance the learning environment for our students on an ongoing basis.

During the 2015-16 finance year, CHS was awarded Condition Improvement Funding Grants of £1,413k to complete works on the roofing and to replace the school's boilers - the work was completed during the year ended 31 August 2017.

As QPHS did not qualify to bid within the year, no bid was made for the Queen's Park site. However, on academisation, Queen's Park High School was awarded an £80k Environment Improvement grant to refurbish the existing infrastructure. A CHS bid in 2016/2017, within the academies' maintenance fund was unsuccessful but further bids for both the Christleton site and Queen's Park site will be made during the 2017/18 bidding process.

Additionally the trust was awarded Grants totalling £520k by DfE to provide Equipment and Temporary Accommodation for the Christleton International Studio School. These grants had not been received at the year end and are included in debtors

At the current financial year end, most grant cash awarded had been spent or committed.

The start up grant for QPHS has only been partially spent at 31 August 2017 and will be used in 2017/18 to develop the Trust.

In addition, Department for Education (DfE) will fund a new build within the QPHS site for a new school with an opening planned for January 2019. The refurbished buildings will be utilised as a new Sixth Form block for QPHS.

Post balance sheet events

Christleton International Studio was a separate limited company and subsequently not part of the Trust within the financial year. Now that formal approval has been given and a funding agreement signed, it was incorporated into the Trust from 07 September 2017.

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

Public benefit

The Trustees confirm that they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in the exercise of their duties.

The Trustees met 7 times during the year in addition to the 4 Business meetings of the Governing Body of CHS and 1 Business meeting of QPHS, after the latter had joined the MAT on 01 April 2017. In all their discussions and decision making they were conscious of their use of public funds for the furtherance of student education and the betterment of their experience whether this be employing the best staff or using capital to create a welcoming environment. Their Terms of Reference provide a framework for information and challenge.

In support of Trustee and Governing Body decisions, the School Leadership Groups have used data to support their actions and proposals as well as creating an atmosphere for new initiatives and opportunities and challenging standing procedures.

There is a culture of celebration of student achievement.

Further information is contained in the sections on Objectives and Activities and Achievement and Performance.

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

STRATEGIC REPORT

Achievements and performance

Christleton High School

Again, this year, our students have achieved excellent examination results. A2 results were in line with the previous year's, with nearly half of all grades at A* - B level and almost a quarter at A* - A. These results have translated into the vast majority of students taking up places at universities or pursuing their preferred pathway.

Our GCSE results were again strong this year. 88% of all students achieved 5 A* - C (or 9-4), with 81% of all students achieving 5 A* - C (or 9-4) including English and Maths. 88% of students achieved a 9-4 pass in English, 85% in Maths and 82% achieving those grades in both subjects. On the harder measure of 9-5 passes in English and Maths, 60% achieved both – placing CHS well above the local and national average. This, we believe is due in part to the school's determination to develop independent and creative approaches to learning, together with the hard work of our students.

We are now two years on from its Outstanding Ofsted rating. This is something of which we are very proud and was a testimony to the hard work and commitment of the whole community within the school – Governors, staff, parents and students alike. We remain confident that our processes and procedures remain robust and strong enough for the rigour of a future inspection.

In relation to Sports, boys and girls have continued to achieve success in local, regional and national competitions within football, rugby, netball, athletics, basketball, table tennis and handball, which meant the school maintained its high place in state schools in the country by School Sports Magazine.

In the last financial year, the school's new Combined Cadet Force (CCF) expanded with 58 cadets regularly attending. Our Duke of Edinburgh Award Scheme continues to go from strength to strength with another record number of students participating during the year.

Queen's Park High School

The GCSE results at QPHS again saw year on year improvement this year, with 45% of all students achieving 5 A* - C (or 9-4) including English and Maths and 53% of students achieving 5 A* - C (or 9-4). English results in particular, have seen dramatic improvements in the last two years but overall results continue to improve under its new leadership team.

The school continues to be very active and during its short time within the Trust, in addition to Lyndsay Watterson winning Headteacher of the Year, the school has also seen one of its teachers become a finalist in the Inspirational Teacher of the year Awards.

The school also remains active within its local community with the school working in partnership with Handbridge Community Association and hosting the Without the Walls Art festival, aimed at providing a platform for local schools to showcase their most talented children.

Whether it be as a finalist in the Big Bang STEM awards, performing well in Maths Mastery competition, having 3 students ranked in the Top 5 in the country for Rowing in their age group, involving students in Duke of Edinburgh or enabling an Enterprise programme, QPHS has a number of programmes and activities designed to enrich its students during their time at the school.

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

Financial review

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2017 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities on page 25. It should be noted that given that QPHS joined the Trust on 01 April 2017, year on year comparisons are distorted.

During the period ending 31 August 2017, total expenditure of £9,138k (2016: £7,051k) was covered by total income of £21,388k (2016: £8,862k), including capital funding of £164k (2016: £1,400k), £12m donated assets on QPHS academisation; £520k CIS temporary works and equipment and recurrent grant funding from the DfE, together with other incoming resources.

Net assets on the balance sheet at 31 August 2017 were £25,678k (2016: £12,543k) after accounting for the local government scheme pension deficit of £1,462k (2016: £1,671k). The vast majority of the movement in the pension scheme assets is attributable to Actuarial assumptions/losses – these have had no direct cash impact. Net cash flow from operating activities was a surplus of £624k (2016: £446k) and cash balances decreased in the year from £2,077k to £1,627k.

The land, buildings and other assets at CHS were transferred to the Academy upon conversion in April 2011. Land and buildings were professionally valued at that time. Other assets were included in the financial statements at a best estimate at that date, taking into account purchase price and remaining useful lives. The Sports Centre Buildings at Christleton site were retained by the Local Authority.

The net book value of fixed assets and movements in tangible fixed assets are shown in the notes to the financial statements. The assets were used exclusively for providing education and the associated support services to the students of each Academy.

The premises at Queen's Park site were transferred to the Trust on a 125 year lease in line with current academisation guidelines.

Key financial policies adopted or reviewed during the year include the Financial Handbook which was required to better reflect the needs of a MAT and lays out the framework for financial management, including financial responsibilities of the Trustees, CEO, Headteachers, Academy Trust Business Director, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included (Allegations of Financial Impropriety, Retention of Records, Charges and Risk Management) as well as a review of Insurance needs. All financial policies will be reviewed in line with the new MAT structure to ensure consistency across MAT schools.

Trustees appointed RSM Risk Assurance Services LLP to undertake a programme of internal checks on financial controls to ensure compliance with the conditions of the revised Financial Handbook, and acted fully on the small number of low risk, low impact suggestions made.

During the period, the Trustees approved the investment of surplus funds in a high earning bank account, in accordance with the finance committee's authority.

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

Financial and risk management objectives and policies

The MAT has agreed a Risk Management Policy incorporating a Risk Register. There are also business continuity plans.

These have been discussed by Trustees and include the financial risks to the MAT. The register and plan are constantly reviewed in light of any new information and formally reviewed annually.

The Trustees have assessed the major risks to which the MAT is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover through the DfE RPA scheme.

As CHS remains over-subscribed at year 7, risks to revenue funding from a falling roll are relatively small. However, 6th Form numbers can vary and this is a matter discussed regularly by the Governors and Leadership Team, bearing in mind the reduction in post 16 funding levels and Raising the Participation Age (RPA). Entry level requirements to the 6th Form were reviewed and new courses introduced to ensure an inclusive 6th Form remains.

However, significant changes in funding arrangements for special educational needs and the possible impact of the National Fairer Funding Formula coupled with increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

QPHS's circumstances are different with difficult challenges in pupil numbers at both Years 7 and 12 and generally across the uniformed school. The Trustees have recognised this risk and approved and resourced an effective Marketing Communications Plan designed to build the brand perceptions of QPHS and to generate greater pupil numbers. This will be greatly benefitted by the award of Headteacher of the Year for Cheshire to Lyndsay Watterson, Headteacher of QPHS. The Trustees, whilst being aware that optimising student numbers will take time, are confident that with both improving demographics and brand reputation, longer term success can be achieved.

The Trustees financially review the MATs finances every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full Trustee meetings. Regular cash flow forecasts ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the MAT had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The MAT has taken on the deficit in the Local Government Pension Scheme (LGPS) in respect of its Support Staff transferred on the conversions of both CHS and QPHS. The deficit is incorporated within the Statement of Financial Activity with details in the financial statements. The LGPS Discretionary Statement was reviewed by the Trustees during the period.

The Trust Board recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in the Notes to the financial statements, represents a significant potential liability. However, as the Trustees consider that the MAT is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimised.

Reserves policy

The Trustees review the reserve levels of the MAT annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Trust and its Academies, the uncertainty over future income streams and other key risks (such as pupil numbers) identified during the risk review.

In 2016/17, the Trustees maintained the appropriate level of free cash reserves at approximately £457,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies. A fund of £202k for future development has also been created and a number of projects have been highlighted within the strategic planning process.

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

Investment policy and powers

All funds surplus to immediate requirements are invested to optimal effect. Where cash flow allows, sums may be invested on deposit for extended periods.

Due to the nature of funding, the MAT may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates, ensuring the institution has appropriate credit rating.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Day to day management of the surplus funds is delegated to the Academy Trust Business Director under approvals by the Board of Trustees.

Key performance indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, we give specific focus to the management of spending against General Annual Grant (GAG). It is the Trust's management policy that in general terms the income received in any one year is spent for the benefit of those children in the schools that year.

As funding is based on student numbers this is also a key performance indicator. Student numbers at CHS for September 2016 were 1,041 in Years 7-11 and 278 in Sixth Form. It is anticipated that this number will be maintained in Years 7-11, as the school has recently been oversubscribed, but Sixth Form numbers can vary and this is a matter discussed regularly by the Academy Governors and Leadership Team, bearing in mind the downward trend of Sixth Form funding.

Student numbers at QPHS at time of conversion in April 2017 were 392 in Years 7-11 and 118 in the Sixth Form. It is anticipated that in the short term overall, numbers will decline in Years 7-11 as lower numbers join than are leaving – a legacy of poor focus in the years before the recent appointment of the new Headteacher, academisation and then joining the Trust. Sixth Form numbers have also been declining and remain challenging.

The Trustees and local governors are kept aware of employee matters particularly with respect to staff leavers and the Summer of 2017 saw a continued small turnover in teaching staff, attributable largely to contracts expiry, promotions and retirements. The Trust does, however, remain committed to always replacing with 'the best staff available' and are confident this year's new recruits will again prove to be so.

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

Changes during the year

The MAT was incorporated formally on 01 September 2016 at the start of this financial year. The year began with high hopes and expectations that the Trust would develop during the year and despite the challenges and hurdles, by the end of the financial year, this objective was met.

The Studio School that had been postponed during the previous year was eventually approved to open on 01 September 2017 by Lord Nash on 28 April 2017. To gain such approval, the team had to successfully prove that its financial viability and student numbers backed by a strong and robust curriculum.

Despite numerous and regular challenges, all milestones were delivered and the Studio opened in September 2017, in temporary accommodation at the Queen's Park site with a pupil role inline with expectations in Years 10 and 12 and offering International Baccalaureate (IB) qualifications of the Career Diploma and Diploma instead of A levels. This provides a different pathway for local students and meets the values and vision of the MAT.

A new build, commencing with an Opening is planned for 2018/2019. This new build is being funded by the EFSA with the project opening in January 2019 in temporary accommodation, with the permanent building project about to commence with completion due early in 2019. Principal, Kate Ryan and her team deserve much praise for the job done so far.

As we entered the financial year, plans were well advanced to introduce QPHS into the Trust on their academisation. There was much work to do to ensure a smooth transition and following detailed discussions with the Local Authority, a suitable financial package was agreed to allow the academisation to take effect on 01 April 2017.

This financial arrangement minimises the risk to the MAT whilst also providing the breathing space to address inherent issues of the school, particularly falling roll numbers.

Since 1 April, a strong marketing plan has been initiated to rebuild the brand of QPHS amongst target families to make the school a school of choice, the operating cost base has been revisited and the site refurbished through the Environmental Improvement Grant received from the DfE. All these changes and improvements are designed to secure the medium to long term financial future of the school.

Great credit must go to the Headteacher, Lyndsay Watterson, her team and local Governing Body for the enthusiastic and supportive way in which they have adapted to life within a MAT. The Trustees were particularly pleased to see Miss Watterson recognised as Headteacher of the Year in the recent Chester Chronicle Awards. This is testimony to the great work she is doing to turn the school around and provide the platform for continued enhancement of the QPHS brand.

At CHS, the year has been one of consolidation given the Senior Leadership changes of the previous financial year. Mr Damian Stenhouse, the new Headteacher, and Mr Darran Jones, new Deputy Headteacher, have ensured that the school continues to drive forward with a number of new initiatives designed to improve the outcomes of all students attending the school. With several new additions to the Senior Leadership, it is great credit to the team that the school continues to go from strength to strength and remains oversubscribed in every Year group in the uniformed school.

However, at both existing schools, the spectre of future funding challenges brought about by the National Fairer Funding formula suggestions, a generally low funding position coupled with increasing costs out of our control, provide many challenges for the future. To prepare, a root and branch review of costs and resources was undertaken and changes put in place to ensure a MAT balanced budget for 2017/18.

At Trust level, the work undertaken by Mr Tony Lamberton, CEO and Nigel Follos, Academy Trust Business Director, has been key in not only bringing QPHS to the Academy and creating the Studio School, but also in establishing the MAT framework and providing a strong base and solid foundations for future growth. We intend to keep the Centre small but will create a central support structure to minimise costs, improve efficiency and provide more effective support to the schools. This will become operational within 2017/2018 financial year.

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

Going concern

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

Plans for future periods

Our primary focus in 2017/18 is again to ensure our students be the very best they can be and therefore make significant progress and achieve high degrees of success in their examinations. In addition, the work to develop the Studio and open in new buildings in the year 2018/19 will continue, as will the continual drive to further improve both existing secondary schools. The imperative need to optimise students at the schools will also receive total focus.

The effective and efficient development of the smooth operational running of the MAT will continue to ensure that policies, terms of reference, accountabilities and responsibilities between the Trust and the Local Governing Bodies will exist to allow future development. The Trustees have set clear objectives to ensure the Trust enables the schools to improve, whilst ensuring that the school development plans are effectively delivered.

In the coming year, it is unlikely that the Trustees will actively seek new opportunities for new schools to join the MAT but will review any and all opportunities on their merits in relation to the Trust's founding principles. However, the Trustees will only look at further opportunities once they are assured the Trust can thrive and allow all our students to be the very best they can be.

CHRISTLETON LEARNING TRUST

TRUSTEES' REPORT (CONTINUED)

Principal risks and uncertainties

The principal risks and uncertainties facing the MAT are as follows:

Financial & Political - the MAT has considerable reliance on continued Government funding through the ESFA and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms beyond the short term. The Trust mitigates these risks through careful financial planning and its policy on reserves.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the MAT's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the MAT is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored, reviewed and celebrated both internally and externally.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection, monitoring and training of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the MAT is reliant on the quality of its staff and so the Trustees and Governors monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - The MAT has appointed Auditors to carry out checks on financial systems and records as required by the Academies Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The MAT and its Trustees and Governors do not act as the Custodian Trustees of any other Charity.

The financial statements include the results of the CHS Prize Fund, a registered charity (number 1031383) which is under the control of the Academy Trust. The objects of the Fund are to provide benefits of any kind to the Academy not normally provided by public funds. The Trustees are Mrs S Leake (Chair of Trustees), Mr A Lamberton (CEO) and Mr N Follos (ATBD).

AUDITOR

RSM UK Audit LLP has indicated its willingness to continue in office.

Statement as to disclosure of information to auditor

The trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The trustees' report is approved by order of the board of trustees and the strategic report (included therein) is approved by the board of trustees in their capacity as the directors at a meeting on 29.11.17.... and signed on its behalf by:



Mrs Sue Leake

Chair of trustees

CHRISTLETON LEARNING TRUST

GOVERNANCE STATEMENT

Scope of responsibility

As Trustees, we acknowledge that we have overall responsibility for ensuring that Christleton Learning 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 Trustees have delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform to 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 Christleton Learning Trust and the Secretary of State for Education. The CEO is also responsible for reporting to the governing body any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' and Governors' responsibilities.

The Board of Trustees has formally met 7 times during the year. Physical attendance (NB absent Trustees often participated on key decisions and issues via Skype / Facetime) during the meetings of the Board of Trustees was as follows:

Trustees	Meetings attended	Out of possible
Mr Jean Charlton	2	7
Mr Nick Crowther	5	7
Mr Mick Dempsey	4	7
Mr Paul Heath	7	7
Mr Euan Imrie (Vice-Chair of Trustees)	4	7
Mrs Sue Leake (Chair of Trustees)	7	7
Ms Kate Parlevliet	2	2

Audit and Finance Committee

The Audit and Finance Committee is a committee of the main Trustee Body. Its purpose is to monitor the financial administration of the school to ensure efficient and effective use of funds in accordance with current regulations by discussion, review and challenge at its meetings. This was included within an increased number of Business Meetings within 2016/17.

CHRISTLETON LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the CEO has responsibility for ensuring that the MAT 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 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:

Student attainment and welfare

Our focus here is demonstrated by the longer term trends in exam results, particularly as GCSE results for 2016/17 academic year were again strong for the MAT.

The MAT tracks attendance and behaviour of all students, these are significantly better than national and local averages and continue to improve at CHS. There was one permanent exclusion during the financial year 2016/17. Pupil premium funds are utilised to narrow the educational attainment gap. The "No child fails" programme and other key interventions including our own 'Every Child Succeeds' programme across Years 7-11 are funded to raise achievement.

Accountability is through direct reporting (including VFM reviews) by the relevant Assistant Headteachers to the Head and to the relevant governors committees. Pupil premium achievement outcomes are reported to full governors annually at each school.

Trustee challenge, awareness and oversight of MAT finances

The MAT benefits from the provision of a suitably qualified Audit Committee which reviews key financial policies, systems and procedures, including the use of tenders. Auditors present reports on compliance to the Finance and Audit Committees.

The Finance and Audit Committees and Local Governing Bodies receive termly budget monitoring and cashflow reports. The accounting officer receives monthly statements with full explanations of budget variances and has day to day access to all staff involved in purchasing.

The full Board of Trustees approves the budget each year and is mindful of the need to balance expenditure against income to ensure a secure financial foundation for the MAT.

The Board of Trustees also receives and approves the Annual Accounts and the External Auditors Management Report. The MAT benchmarks financial performance against other academy Trusts to demonstrate that the Trust provides good value for money.

Tender exercises are undertaken to ensure that high value contracts are assessed against the marketplace on a regular basis to ensure that long term contracts remain competitive.

Controls and managing risks

Monthly budget monitoring reports are produced and reviewed by the ATBD and Headteacher and any necessary remedial actions taken to address any significant variances that may have an impact on the budget out-turn.

The MAT ensures that all surplus cash balances are invested in interest bearing accounts to maximise interest earning potential with recorded Trustee approval of the transaction.

The Academy Leadership Groups within each school, review expenditure within each budget heading both on a quarterly and annual basis. As a result, adjustments are made based on the effectiveness of strategies introduced in previous years, the curriculum offer and any new strategies identified in the Academy Development Plan.

CHRISTLETON LEARNING TRUST

GOVERNANCE STATEMENT (CONTINUED)

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 the MAT for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the MAT is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trustee Board is of the view that there is a formal on-going process for identifying, evaluating and managing the academy Trust's significant risks that has been in place for the year ending 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The risk and control framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the governing body;
- regular reviews by the Finance 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 RSM Risk Assurance Services LLP, to perform additional checks. The Reviewer's role includes giving advice on financial matters and performing a range of checks on the academy Trust's financial systems. In particular checks carried out in the current period included:

- Budgeting
- General ledger
- Account reconciliations
- Petty Cash
- Payroll processing
- Expenditure and Creditors
- Income and Debtors
- Fixed Assets

Reports are issued to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustee's financial responsibilities.

Review of effectiveness

As accounting officer the principal 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 reviewer;
- 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.

CHRISTLETON LEARNING TRUST

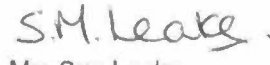
GOVERNANCE STATEMENT (CONTINUED)

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit and finance 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 29/11/17 and signed on its behalf by:



Mr Tony Lamberton
Accounting Officer



Mrs Sue Leake
Chair of trustees

CHRISTLETON LEARNING TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Christleton Learning Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA 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 2016.

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 2016.

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 ESFA.



Mr Tony Lambert
Accounting Officer

29/11/17

CHRISTLETON LEARNING TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Christleton Learning Trust for the purposes of company law) are responsible for preparing the Trustees' Report (including the strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills Funding Agency; United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice); applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 29.11.17. and signed on its behalf by:



Mrs Sue Leake

Chair of trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTLETON LEARNING TRUST

Opinion on financial statements

We have audited the financial statements of Christleton Learning Trust (the "academy trust") for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice), and the Academies: Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 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 Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the Trustee's Report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' Report and the incorporated Strategic Report have been prepared in accordance with applicable legal requirements.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CHRISTLETON LEARNING TRUST (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report and the incorporated Strategic Report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities set out on page 21, the trustees are also the directors of the charitable company for the purposes of company law are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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

RSM UK Audit LLP
ANNA SPENCER - GRAY
(Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor

Chartered Accountants

5th Floor

One City Place

Queens Road

Chester

CH1 3BQ

12 December 2017

CHRISTLETON LEARNING TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2017 £'000	Total 2016 £'000
Income and endowments from:						
Donations and capital grants	4	2	15	667	684	1,409
Donations - transfer from local authority on conversion	30	-	-	12,389	12,389	-
Charitable activities:						
- Funding for educational operations	5	-	8,038	-	8,038	6,535
Other trading activities	6	89	206	-	295	302
Investments	7	7	-	-	7	7
Total		<u>98</u>	<u>8,259</u>	<u>13,056</u>	<u>21,413</u>	<u>8,253</u>
Expenditure on:						
Raising funds	8	32	16	-	48	59
Charitable activities:						
- Educational operations	9	-	8,177	421	8,598	6,992
Charitable expenditure - transfer from local authority on conversion	30	-	492	-	492	-
Total	8	<u>32</u>	<u>8,685</u>	<u>421</u>	<u>9,138</u>	<u>7,051</u>
Net income/(expenditure)		66	(426)	12,635	12,275	1,202
Transfers between funds		-	(164)	164	-	-
Other recognised gains/(losses)						
Actuarial gains/(losses) on defined benefit pension schemes	26	-	885	-	885	(710)
Net movement in funds		66	295	12,799	13,160	492
Reconciliation of funds						
Total funds brought forward		<u>391</u>	<u>(1,192)</u>	<u>13,344</u>	<u>12,543</u>	<u>12,051</u>
Total funds carried forward		<u>457</u>	<u>(897)</u>	<u>26,143</u>	<u>25,703</u>	<u>12,543</u>

CHRISTLETON LEARNING TRUST**BALANCE SHEET****AS AT 31 AUGUST 2017**

	Notes	2017		2016	
		£'000	£'000	£'000	£'000
Fixed assets					
Tangible assets	14		25,826		12,626
Investments	15		18		16
			<u>25,844</u>		<u>12,642</u>
Current assets					
Stocks	16	3		4	
Debtors	17	799		518	
Cash at bank and in hand		1,627		2,077	
		<u>2,429</u>		<u>2,599</u>	
Current liabilities					
Creditors: amounts falling due within one year	18	(949)		(865)	
Net current assets			<u>1,480</u>		<u>1,734</u>
Total assets less current liabilities			<u>27,324</u>		<u>14,376</u>
Creditors: amounts falling due after more than one year	19		(159)		(162)
Net assets excluding pension liability			<u>27,165</u>		<u>14,214</u>
Defined benefit pension scheme liability	26		(1,462)		(1,671)
Net assets			<u>25,703</u>		<u>12,543</u>
Funds of the academy trust:					
Restricted funds	21				
- Restricted fixed asset funds			26,143		13,344
- Restricted income funds			565		479
- Pension reserve			(1,462)		(1,671)
Total restricted funds			<u>25,246</u>		<u>12,152</u>
Unrestricted income funds	21		<u>457</u>		<u>391</u>
Total funds			<u>25,703</u>		<u>12,543</u>

The financial statements on pages 24 to 52 were approved by the board of trustees and authorised for issue on 29.11.17 and are signed on their behalf by:

S.M. Leake

Mrs Sue Leake
Chair of trustees

CHRISTLETON LEARNING TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £'000	£'000	2016 £'000	£'000
Cash flows from operating activities					
Net cash provided by operating activities	24		624		446
Cash flows from investing activities					
Dividends, interest and rents from investments		7		7	
Capital grants from DfE and ESFA		122		1,400	
Purchase of tangible fixed assets		(1,201)		(2,250)	
Payments to acquire investments		(2)		(3)	
		<u> </u>		<u> </u>	
Net cash used in investing activities			(1,074)		(846)
			<u> </u>		<u> </u>
Net decrease in cash and cash equivalents in the reporting period			(450)		(400)
			<u> </u>		<u> </u>
Cash and cash equivalents at beginning of the year			2,077		2,477
			<u> </u>		<u> </u>
Cash and cash equivalents at end of the year			1,627		2,077
			<u> </u>		<u> </u>

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

General information

Christleton Learning 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.

Basis of preparation

The financial statements of the academy trust 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 financial statements 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006. The academy trust is a public benefit entity under FRS 102 and has therefore applied the relevant public benefit requirements of FRS 102.

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied, in dealing with items which are considered material in relation to the financial statements, to all the years presented, unless otherwise stated.

The financial statements are presented in sterling which is also the functional currency of the academy trust.

Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

Going concern

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

At the balance sheet date the Academy had net assets of £25.703m after providing for long term pension scheme commitments of £1,462k in respect of the support staff defined benefit pension scheme. Net current assets were £1,455k (2016: £1,734k) and cash balances amounted to £1,627k (2016: £2,077k).

The Trustees have reviewed and approved budgets and cashflow forecasts for 2017/18 and future years, and consider in the light of this review that it is appropriate to prepare the financial statements on a going concern basis.

Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Queen's Park High School to the academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer from local authority on conversion and Charitable activities – transfer from local authority on conversion in the Statement of Financial Activities and analysed under restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in note 30.

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.

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

Grants

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.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

Capital grants are recognised when there is entitlement, when performance-related conditions have been met, 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.

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 at fair value of the consideration received or receivable in the period it is receivable and to the extent the academy trust has provided the goods or services.

Donated goods, facilities and services

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 is 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.

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 and net of claimed 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.

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

Charitable activities

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

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. 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 such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy trust's depreciation policy. 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 other than freehold land, so as to write off the cost of assets less their residual values over their useful lives on the following bases:

Freehold and leasehold land	2% straight line
Assets in the course of construction	Not depreciated
Fixtures, fittings and equipment	20% - 25% straight line
Leasehold land	125 years
Freehold land	Not depreciated

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

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.

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

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.

Financial Instruments

The Academy Trust has chosen to adopt Sections 11 and 12 of FRS 102 in full in respect of financial instruments.

Financial assets and liabilities

Financial assets and financial liabilities are recognised when the academy becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the financial instrument's contractual obligations, rather than the financial instrument's legal form.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. A financial asset or financial liability that is payable or receivable in one year is measured at the undiscounted amount expected to be received or paid net of impairment, unless it is a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and financial liabilities are offset only when there is a current legally enforceable right to set off the recognised amounts and the intention to either settle on a net basis, or to realise the asset and settle the liability simultaneously.

Derecognition of financial assets and liabilities

A financial asset is derecognised only when the contractual rights to cash flow expire or are settled, or substantially all the risks and the rewards of ownership are transferred to another party, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party. A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Leased assets

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

Investments

Listed investments are initially measured at cost and subsequently measured at fair value at the reporting date. The Statement of Financial Activities (SOFA) includes the net gains and losses arising on revaluations and disposal during the year.

Stock

Unsold uniforms and books for resale are valued at the lower of cost and estimated selling price less costs to complete and sell.

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies (Continued)

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.

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'), which are multi-employer defined benefit schemes.

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 projected unit method. The TPS is a multi-employer scheme but 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. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments.

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 reporting date. The amounts charged to net income 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 as other comprehensive income. Actuarial gains and losses are recognised immediately in other comprehensive income.

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 Department of Education, where the asset acquired or created is held for a specific purpose.

Restricted general funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Department for Education.

Agency arrangements

The Academy acts as an agent in the administering of 16-19 Bursary Funds from the EFA. Related payments received from the EFA and subsequent disbursements to students are excluded from the statement of financial activities to the extent that the Academy does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 29.

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

2 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.

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 26, 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 2017. 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.

Critical areas of judgement

The trustees believe that critical areas of judgement do not have a significant risk of causing a material difference to the carrying amounts of assets and liabilities within the next financial year.

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

3 Comparative year information

Year ended 31 August 2016	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Endowment Funds £'000	Total 2016 £'000
Income and endowments from:					
Donations and capital grants	9	-	1,400	-	1,409
Charitable activities:					
- Funding for educational operations	-	6,535	-	-	6,535
Other trading activities	57	245	-	-	302
Investments	5	2	-	-	7
Total income and endowments	71	6,782	1,400	-	8,253
Expenditure on:					
Raising funds	59	-	-	-	59
Charitable activities:					
- Educational operations	-	6,730	262	-	6,992
Total expenditure	59	6,730	262	-	7,051
Gains on investments	-	(2)	-	2	-
Net income/(expenditure)	12	50	1,138	2	1,202
Transfers between funds	-	(14)	14	-	-
Other recognised gains and losses					
Actuarial gains/(losses) on defined benefit pension schemes	-	(710)	-	-	(710)
Net movement in funds	12	(674)	1,152	2	492

4 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Capital grants	-	667	667	1,400
Other donations	2	15	17	9
	2	682	684	1,409

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

5 Funding for the academy trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
DfE / ESFA grants				
General annual grant (GAG)	-	7,160	7,160	6,151
Start up grants	-	100	100	-
Other DfE / ESFA grants	-	348	348	152
	-	7,608	7,608	6,303
Other government grants				
Local authority grants	-	194	194	-
Special educational policies	-	75	75	62
	-	269	269	62
Other incoming resources	-	161	161	170
	-	8,038	8,038	6,535

6 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Hire of facilities	40	-	40	4
School productions and concert income	26	-	26	27
School events	23	-	23	26
Other income	-	206	206	245
	89	206	295	302

7 Investment income

	Unrestricted funds £'000	Restricted funds £'000	Total 2017 £'000	Total 2016 £'000
Interest from short term deposits	7	-	7	5
Other investment income	-	-	-	2
	7	-	7	7

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

8 Expenditure	Non Pay Expenditure			Total 2017 £'000	Total 2016 £'000
	Staff costs £'000	Premises £'000	Other £'000		
Expenditure on raising funds	-	-	48	48	59
Academy's educational operations					
- Direct costs	5,452	420	592	6,464	5,448
- Allocated support costs	1,203	600	331	2,134	1,544
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total support costs	6,655	1,020	971	8,646	7,051
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Net income/(expenditure) for the year includes:				2017	2016
				£'000	£'000
Operating lease rentals				11	-
Depreciation of tangible fixed assets				421	262
Net interest on defined benefit pension liability				40	34
Fees payable to RSM UK Audit LLP and its associates in respect of both audit and non-audit services are as follows:					
- Audit				16	13
- Other services				4	6
				<u> </u>	<u> </u>

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

9 Charitable activities

	2017 £'000	2016 £'000
All from restricted funds:		
Direct costs - educational operations	6,464	5,448
Support costs - educational operations	2,134	1,544
	<u>8,598</u>	<u>6,992</u>
	<u>2017</u> £'000	<u>2016</u> £'000
Analysis of support costs		
Support staff costs	1,203	689
Depreciation and amortisation	1	-
Technology costs	78	55
Premises costs	511	518
Other support costs	319	263
Governance costs	22	19
	<u>2,134</u>	<u>1,544</u>

10 Central services

The academy trust has provided the following central services to its academies during the year. No charges for central services have gone through the current year but the academy trust will provide these to its academies in future periods:

- financial services;
- strategic leadership;
- others as arising.

The academy trust will charge for these services on the following basis:

- amount per pupil;
- other bases as arising.

The amounts charged during the year were as follows:

	Total £'000
Christleton High School	-
Queen's Park High School	-
	<u>-</u>

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

11 Staff costs

	2017 £'000	2016 £'000
Wages and salaries	4,914	4,078
Social security costs	490	354
Other pension costs	888	738
	<hr/>	<hr/>
Total staff costs	6,292	5,170
Supply staff costs	195	117
Staff restructuring costs	24	-
	<hr/>	<hr/>
	<u>6,511</u>	<u>5,287</u>

Staff numbers

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

	2017 Number	2017 FTE	2016 Number	2016 FTE
Teachers	115	94	101	82
Administration and support	140	49	95	36
Management	10	10	7	7
	<hr/>	<hr/>	<hr/>	<hr/>
	<u>265</u>	<u>153</u>	<u>203</u>	<u>125</u>

Higher paid staff

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

	2017 Number	2016 Number
£60,001 - £70,000	3	3
£70,001 - £80,000	1	1
£90,001 - £100,000	1	1
£100,001+	-	1
	<hr/>	<hr/>

All but one of the above employees participated in the Teachers' Pension Scheme a defined benefit scheme.

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £24,000 (2016: £nil). Individually, the payments were: £16,000 and £8,000.

Key management personnel

The key management personnel of the academy trust comprise the trustees and the senior leadership teams at both schools. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £907,274 (2016 - £683,981).

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

12 Trustees' remuneration and expenses

Principal and staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff members under their contracts of employment not in respect of their services as governors. Other trustees did not receive any payments from the Academy Trust in respect of their role as governors. The value of the Headteachers' remunerations included within the Trust were £157,134 for the year ended 31 August 2017 (2016: £129,397) and is accruing retirement benefits under the TPS. The contributions paid in the year amounted to £20,124 (2016: £16,166). Staff governors are not trustees of the charitable trust.

No trustees were reimbursed for expenses incurred during the year (2016: £Nil).

Related party transactions involving the trustees are set out in note 27.

13 Trustees and officers insurance

The Academy Trust has opted into the Department of Education's Risk Protection Arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000 (2016: £5,000,000). It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

14 Tangible fixed assets

	Freehold and land buildings £'000	Assets in the course of construction £'000	Fixtures, fittings and equipment £'000	Leasehold land and buildings £'000	Total £'000
Cost					
At 1 September 2016	13,015	411	485	-	13,911
Transfer on conversion	-	-	220	12,200	12,420
Transfer	411	(411)			-
Additions	942	222	37	-	1,201
At 31 August 2017	14,368	222	742	12,200	27,532
Depreciation					
At 1 September 2016	891	-	394	-	1,285
Charge for the year	260	-	75	86	421
At 31 August 2017	1,151	-	469	86	1,706
Net book value					
At 31 August 2017	13,217	222	273	12,114	25,826
At 31 August 2016	12,124	411	91	-	12,626

Included within freehold land and buildings is land valued at £1,375,000.

The leasehold land and building transferred on conversion relates to the leasehold land and buildings brought in at valuation from Queen's Park High School that transferred into the Trust on 1 April 2017. The valuation was carried out on this date by Andrew J Hyde a Qualified Property Consultant. Included within leasehold land and building is land value at £3,200,000

A restriction has been placed on the registered estate stating that written consent must be received from the Football Foundation before any charge can be placed on the property.

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

15 Fixed asset investments

	Listed investments £'000
Market value	
At 1 September 2016	16
Change in value in the year	2
	<u>18</u>
At 31 August 2017	<u>18</u>
	<u>18</u>
Historical cost:	
At 31 August 2017	12
	<u>12</u>
At 31 August 2016	11
	<u>11</u>

The investments above relate to equities and fixed interest securities.

16 Stocks	2017	2016
	£'000	£'000
Uniforms, books and stationery	3	4
	<u>3</u>	<u>4</u>
17 Debtors	2017	2016
	£'000	£'000
Trade debtors	94	19
Amounts owed by connected undertakings	5	-
VAT recoverable	82	100
Other debtors	6	97
Prepayments and accrued income	612	302
	<u>799</u>	<u>518</u>
	<u>799</u>	<u>518</u>
18 Creditors: amounts falling due within one year	2017	2016
	£'000	£'000
Trade creditors	331	442
Other taxation and social security	150	102
Other creditors	394	234
Accruals and deferred income	74	87
	<u>949</u>	<u>865</u>
	<u>949</u>	<u>865</u>

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

19 Creditors: amounts falling due after more than one year	2017 £'000	2016 £'000
Other creditors	159	162

Included within other creditors are loans of £205,470 (2016: £185,324) from Salix, these are provided on the terms that the loans are repayable by annual instalments of £46,479 (2016: £23,154). £7,456 will be repaid in September 2017, £23,799 by September 2018, £77,780 will be repaid in full by August 2024 and £96,444 is fully repaid by August 2025. The loans are interest free and unsecured.

20 Financial instruments	2017 £'000	2016 £'000
Carrying amount of financial assets		
Debt instruments measured at amortised cost	657	381
Instruments measured at fair value through profit and loss	18	16
Carrying amount of financial liabilities		
Measured at amortised cost	958	765

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

21 Funds

	Balance at 1 September 2016 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2017 £'000
Restricted general funds					
General Annual Grant	-	7,160	(7,133)	(27)	-
Start up grants	-	100	-	-	100
Other DfE / ESFA grants	-	348	(348)	-	-
Other government grants	-	269	(110)	-	159
Other restricted funds	479	382	(418)	(137)	306
Pension reserve	(1,671)	-	(676)	885	(1,462)
	<u>(1,192)</u>	<u>8,259</u>	<u>(8,685)</u>	<u>721</u>	<u>(897)</u>
Restricted fixed asset funds					
Transferred on conversion	7,714	12,389	(233)	-	19,870
DfE / ESFA capital grants	4,536	667	(149)	164	5,218
Capital expenditure from GAG	652	-	-	-	652
Football Foundation grant	442	-	(39)	-	403
	<u>13,344</u>	<u>13,056</u>	<u>(421)</u>	<u>164</u>	<u>26,143</u>
Total restricted funds	<u>12,152</u>	<u>21,315</u>	<u>(9,106)</u>	<u>885</u>	<u>25,246</u>
Unrestricted funds					
General funds	391	98	(32)	-	457
Total funds	<u>12,543</u>	<u>21,413</u>	<u>(9,138)</u>	<u>885</u>	<u>25,703</u>

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

21 Funds (Continued)

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

a) Restricted General Fund

The General Annual Grant (GAG) is the core funding for the educational activities of the academy provided via the Education and Skills Funding Agency (ESFA).

Other ESFA grants are grants received from the ESFA which can only be utilised for the purpose intended. Other funds generated by the Academy include specific donations.

The Pension reserve is the deficit in the Local Government Pension Scheme.

b) Restricted Fixed Asset Fund

This includes fixed assets transferred on Academy conversion, together with capital grants, including capital grants from the Football Foundation for the all weather pitch; from the Academies Capital Maintenance Fund and Conditional Improvement fund for the Renewal of External Curtain Walling, renewal of Crittle Steel Framed Windows, Roof Covering renewals and a Boiler replacement programme. A total of £164k of restricted funds has been transferred to restricted fixed asset funds to represent fixed assets purchased out of GAG / other restricted income and capital grants spent on revenue expenditure.

c) Unrestricted Funds

These include surpluses transferred on Academy conversion, and any other funds generated by the Academy, or donations received by the Academy with no specific purpose attached.

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

21 Funds (Continued)

Funds prior year

	Balance at 1 September 2015 £'000	Income £'000	Expenditure £'000	Gains, losses and transfers £'000	Balance at 31 August 2016 £'000
Restricted general funds					
General Annual Grant	-	6,151	(6,137)	(14)	-
Other DfE / ESFA grants	-	152	(152)	-	-
Other government grants	-	62	(62)	-	-
Other restricted funds	381	417	(319)	-	479
Pension reserve	(901)	-	(60)	(710)	(1,671)
	<u>(520)</u>	<u>6,782</u>	<u>(6,730)</u>	<u>(724)</u>	<u>(1,192)</u>
Restricted fixed asset funds					
Transferred on conversion	7,857	-	(143)	-	7,714
DfE / ESFA capital grants	3,202	1,400	(80)	14	4,536
Capital expenditure from GAG	652	-	-	-	652
Football Foundation grant	481	-	(39)	-	442
	<u>12,192</u>	<u>1,400</u>	<u>(262)</u>	<u>14</u>	<u>13,344</u>
Total restricted funds	<u>11,672</u>	<u>8,182</u>	<u>(6,992)</u>	<u>(710)</u>	<u>12,152</u>
Unrestricted funds					
General funds	<u>379</u>	<u>71</u>	<u>(59)</u>	<u>-</u>	<u>391</u>
Total funds	<u>12,051</u>	<u>8,253</u>	<u>(7,051)</u>	<u>(710)</u>	<u>12,543</u>

Total funds analysis by academy

Fund balances at 31 August were allocated as follows:

	Total 2017 £'000	Total 2016 £'000
Christleton High School	75	870
Queen's Park High School	14	-
Central services	933	-
Total before fixed assets fund and pension reserve	<u>1,022</u>	<u>870</u>
Restricted fixed asset fund	26,143	13,344
Pension reserve	(1,462)	(1,671)
Total funds	<u>25,703</u>	<u>12,543</u>

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

21 Funds (Continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs excluding depreciation £'000	Total 2017 £'000	Total 2016 £'000
Christleton High School	4,682	761	309	954	6,706	6,729
Queen's Park High School	856	186	24	183	1,249	
Central services	-	-	-	86	86	-
	<u>5,538</u>	<u>947</u>	<u>333</u>	<u>1,223</u>	<u>8,041</u>	<u>6,729</u>

22 Analysis of net assets between funds

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total Funds £'000
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	25,826	25,826
Fixed asset investments	-	-	18	18
Current assets	457	1,673	299	2,429
Creditors falling due within one year	-	(949)	-	(949)
Creditors falling due after one year	-	(159)	-	(159)
Defined benefit pension scheme liability	-	(1,462)	-	(1,462)
Total net assets	<u>457</u>	<u>(897)</u>	<u>26,143</u>	<u>25,703</u>

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

22 Analysis of net assets between funds (Continued)

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Asset Funds	Total Funds
	£'000	£'000	£'000	£'000
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	12,626	12,626
Fixed asset investments	-	-	16	16
Current assets	391	1,506	702	2,599
Creditors falling due within one year	-	(865)	-	(865)
Creditors falling due after one year	-	(162)	-	(162)
Defined benefit pension scheme liability	-	(1,671)	-	(1,671)
Total net assets	<u>391</u>	<u>(1,192)</u>	<u>13,344</u>	<u>12,543</u>

23 Commitments under operating leases

At 31 August 2017 the total of the academy trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £'000	2016 £'000
Amounts due within one year	21	26
Amounts due between one and five years	33	14
	<u>54</u>	<u>40</u>

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

24 Reconciliation of net income to net cash flow from operating activities

	2017	2016
	£'000	£'000
Net income for the reporting period (as per the statement of financial activities)	12,275	1,202
Adjusted for:		
Net surplus on conversion to academy	(11,897)	-
Capital grants from DfE/ESFA and other capital income	(667)	(1,400)
Interest receivable	(7)	(7)
Defined benefit pension scheme cost less contributions payable	144	26
Defined benefit pension scheme finance cost	40	34
Depreciation of tangible fixed assets	421	262
Movements in working capital:		
Decrease/(increase) in stocks	1	(1)
Decrease/(increase) in debtors	264	(48)
Increase in creditors	81	378
Stocks, debtors and creditors transferred on conversion	(31)	-
Net cash provided by operating activities	624	446

25 Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he 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.

26 Pension 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 Cheshire Pension Fund. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2016.

Contributions amounting to £92,559 (2016: £88,189) were payable to the schemes at 31 August 2017 and are included within creditors.

As described in note 30, the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion in from Queen's Park High School. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

During the year Queen's Park High School transferred in to the academy trust. The obligation in respect employees who transferred with Queen's Park High School to the academy trust representing their cumulative service to the predecessor employer was recognised in the SoFA as part of the loss on transfer as set out in note 30.

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

26 Pension and similar obligations (Continued)

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions 2014.

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.

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. 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 in June 2014.

The key elements of the valuation and subsequent consultation are:

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

The TPS valuation for 2012 determined an employer rate of 16.48% (including a 0.08% administration fees), which was payable from September 2015. The next valuation of the TPS is currently underway based on March 2016 data, 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 £1,009k (2016: £542,368).

The TPS is a multi-employer pension plan and there is insufficient information to account for the scheme as a defined benefit plan so it is accounted for as a defined contribution plan.

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 estimated value of employer contributions for the forthcoming year is £298,000 and future rate for employers pension contributions is 24.3% to March 2018 and 24.8% April 2018.

The LGPS obligation relates to the employees of the academy trust who were employees transferred as part of the conversion from the maintained school (as described in note 30) together with new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

26 Pension and similar obligations (Continued)

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.

Total contributions made	2017	2016
	£'000	£'000
Employer's contributions	219	161
Employees' contributions	60	45
	<hr/>	<hr/>
Total contributions	279	206
	<hr/> <hr/>	<hr/> <hr/>

Principal actuarial assumptions

The following information is based upon a full actuarial valuation of the fund at 31 March 2016 updated to 31 August 2017 by a qualified independent actuary.

	2017	2016
	%	%
Rate of increases in salaries	2.7	3.1
Rate of increase for pensions in payment/inflation	2.4	2.1
Discount rate for scheme liabilities	2.5	2.0
	<hr/>	<hr/>

The assumed life expectations on retirement age 65 are:

	2017	2016
	Years	Years
Retiring today		
- Males	22.3	22.3
- Females	24.5	24.4
Retiring in 20 years		
- Males	23.9	24.1
- Females	26.5	26.7
	<hr/>	<hr/>

The academy trust's share of the assets in the scheme

	2017	2016
	Fair value	Fair value
	£'000	£'000
Equities	1,845	1,249
Bonds	1,512	919
Cash	258	24
Property	74	165
	<hr/>	<hr/>
Total fair value of assets	3,689	2,357
	<hr/> <hr/>	<hr/> <hr/>

The actual return on scheme assets was £277,000 (2016: £365,000).

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

26 Pension and similar obligations (Continued)

Amount recognised in the statement of financial activities	2017 £'000	2016 £'000
Current service cost	363	187
Net interest cost	40	34
	<hr/>	<hr/>
Total operating charge	403	221
	<hr/>	<hr/>
Changes in the present value of defined benefit obligations		2017 £'000
At 1 September 2016		4,028
Obligations acquired on conversion		1,313
Current service cost		363
Interest cost		98
Employee contributions		60
Actuarial gain		(666)
Benefits paid		(45)
		<hr/>
At 31 August 2017		5,151
		<hr/>
Changes in the fair value of the academy trust's share of scheme assets		2017 £'000
At 1 September 2016		2,357
Assets acquired on conversion		821
Interest income		58
Return on plan assets (excluding net interest on the net defined pension liability)		219
Employer contributions		219
Employee contributions		60
Benefits paid		(45)
		<hr/>
At 31 August 2017		3,689
		<hr/>

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

27 Related party transactions

During the year transactions took place between Christleton High School and Christleton International Studio, a proposed new studio school. The directors were J Charlton and S Leake who were both Governors of Christleton High School. In the year Christleton High School received £167,887 (2016: £42,995) and disbursed £137,273 (2016: £78,474) with therefore an amount due of £4,924 (2016: £35,538) at year end.

Owing to the nature of the Academy's operations and the composition of the board of governors being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of governors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures. There are no other related party transactions to report.

28 Post balance sheet events

Christleton International Studio was a separate limited company and subsequently not part of the Trust within the financial year. Now that formal approval has been given and a funding agreement signed, it was incorporated into the Trust with effect from 1 September 2017.

29 Agency arrangements

The Academy administers the disbursement of the discretionary support for learners, 16-19 Bursary Funds, on behalf of the EFSA. In the year it received £21,817 (2016: £20,972) and disbursed £21,023 (2016: £13,036), with therefore an amount of £11,051 (2016: £10,257) included in other creditors.

30 Conversion to an academy

On 1 April 2017 the Queen's Park High School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Christleton Learning Trust from the Cheshire West and Chester Council Local Authority for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer from local authority on conversion.

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

Academy	Location	Date of conversion
Queen's Park High School	Handbridge, Chester, CH4 7AE	1 April 2017

CHRISTLETON LEARNING TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2017

30 Conversion to an academy (Continued)

Net assets transferred:				2017 £'000
Freehold land and buildings				12,200
Other tangible fixed assets				220
Borrowing obligations				(31)
LGPS pension surplus/(deficit)				(492)
				<u>11,897</u>
				<u><u>11,897</u></u>
	Unrestricted Funds £'000	Restricted funds: General Fixed asset £'000 £'000		Total 2017 £'000
Funds surplus/(deficit) transferred:				
Fixed assets funds	-	-	12,389	12,389
LGPS pension funds	-	(492)	-	(492)
	<u>-</u>	<u>-</u>	<u>12,389</u>	<u>11,897</u>
	<u><u>-</u></u>	<u><u>(492)</u></u>	<u><u>12,389</u></u>	<u><u>11,897</u></u>

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHRISTLETON LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

Conclusion

We have carried out an engagement in accordance with the terms of our engagement letter dated 10 September 2015 and further to the requirements of the Education and Skills Funding Agency ("ESFA") as included in the Academies Accounts Direction 2016 to 2017, to obtain limited assurance about whether the expenditure disbursed and income received by Christleton Learning Trust during the period 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Basis for conclusion

The framework that has been applied is set out in the Academies Accounts Direction 2016 to 2017 Part 9: Regularity Reporting. We are independent of Christleton Learning Trust in accordance with the ethical requirements that are applicable to this engagement and we have fulfilled our ethical requirements in accordance with these requirements. We believe the assurance evidence we have obtained is sufficient to provide a basis for our conclusion.

Responsibilities of Christleton Learning Trust's accounting officer and trustees

The accounting officer is responsible, under the requirements of Christleton Learning Trust's funding agreement with the Secretary of State for Education dated 24 March 2011 and the Academies Financial Handbook, extant from 1 September 2016, 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. The accounting officer is also responsible for preparing the Statement of Regularity, Propriety and Compliance. The trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the proper conduct and financial operation of Christleton Learning Trust and appointment of the accounting officer.

Reporting Accountant's responsibilities for reporting on regularity

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 2016 to 2017.

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 the procedures vary in nature and timing from, and are less in extent than for a reasonable assurance engagement; consequently a limited assurance engagement 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.

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 2016 to 31 August 2017 have not been applied to purposes identified by Parliament or that the financial transactions do not conform to the authorities which govern them.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO CHRISTLETON LEARNING TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including the specific requirements of the funding agreement with the Secretary of State for Education, the Academies Financial Handbook 2016 published by the Education and Skills Funding Agency and high level financial control areas where we identified a material risk of impropriety. We undertook detailed testing, on a sample basis, based on the identified areas where a material irregularity is likely to arise, or potential impropriety where such areas are in respect of controls, policies and procedures that apply to classes of transactions. Our work was undertaken with due regard to the 'Evidence to support conclusion on regularity' guidance in Academies Accounts Direction 2016 to 2017.

This work was integrated with our audit on the financial statements and evidence was also derived from the conduct of that audit to the extent it supports the regularity conclusion.

This report is made solely to Christleton Learning Trust and the ESFA in accordance with the terms of our engagement letter dated 10 September 2015. Our work has been undertaken so that we might state to the Christleton Learning Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Christleton Learning Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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Dated: ..12... *December* 2017