
COMMUNITY INCLUSIVE TRUST
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

COMMUNITY INCLUSIVE TRUST
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS**
FOR THE PERIOD ENDED 31 AUGUST 2015

Members

P Boucher, Chair (appointed 4 June 2014)
G Cook (appointed 4 June 2014)
D Metcalfe (appointed 4 June 2014)
K Weekes (appointed 4 June 2014)

Trustees

P Boucher, Chair (appointed 4 June 2014)
G Cook (appointed 4 June 2014)
K Weekes (appointed 4 June 2014)
P Whyte (appointed 4 June 2014, resigned 4 June 2015)
P Bell, Accounting Officer (appointed 4 June 2014)
C Buffham (appointed 4 June 2014)
D Metcalfe (appointed 4 June 2014)

Company registered number

09071623

Principal and registered office

Ambergate Sports College, Dysart Road, Grantham, Lincs, NG31 7LP

Senior leadership team

P Bell, Executive Principal Ambergate/Sandon
C Buffham, Director of Education
P Hill, Headteacher Isaac Newton
K Hoskins, Chief Financial Officer

Independent auditors

Streets Audit LLP, Windsor House, A1 Business Park at, Long Bennington, Notts, NG23 5JR

Bankers

Lloyds Bank PLC, 42 St Peters Hill, Grantham, Lincs, NG31 6QF

Solicitors

Browne Jacobson, Mowbray House, Castle Meadow Road, Nottingham, NG2 1BJ

Internal Auditor

Julia Raftery Consulting Limited, Unit 2, Kirmington Business Park, Ulceby, DN39 6YP

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TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2015

The Trustees present their annual report together with the financial statements and Auditors' report of Community Inclusive Trust (the trust) for the period 4 June 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The company was incorporated on 4 June 2014 and became an academy on 1 September 2014.

The trust operates three academies serving a catchment area in Grantham, Lincolnshire:

- Ambergate Sports College pupils for pupils aged 5 -16 pupils on roll 122
- Sandon School for pupils aged 5-19 pupils on roll 74
- Isaac Newton for pupils aged 5-11 pupils on roll 384

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of the Community Inclusive Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as the Community Inclusive Trust (CIT).

The trust is constituted under a Memorandum of Association dated 4 June 2014.

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.

METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

In accordance with the Articles of Association the Members may appoint up to 5 Trustees through such a process as they may determine. The Trustees may appoint Staff Trustees through such a process as they may determine. The total number of Trustees including the Executive Principal who are employees of the Company shall not exceed one third of the total number of Trustees. The term of office for any Trustee shall be four years save that this time limit shall not apply to the Executive Principal. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected. The Trustees have set up procedures that will enable regular reviews of the mix of skills that should be available to the board. New Trustees are then sought with these skills as replacements when existing Trustees stand down. It is anticipated that most new Trustees will be drawn from the local community or other who have shown interest in the future well being of the Trust, the Academies within the Trust and the pupils. Recruitment will be through a combination of approaches to individuals with known skills and by wider communications to those within the East Midlands.

POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Individual Trustees attend training courses and conferences organized by appropriate bodies in order to ensure their knowledge and understanding is up to date. A series of briefings for the Board and the Senior Leadership Team of Community Inclusive Trust as a whole is being carried out based on areas of potential interest and/or concern.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015

ORGANISATIONAL STRUCTURE

The Trustees have responsibility for setting and monitoring the overall strategic direction of the Academy(ies), approving decisions reserved to Local Governing Body Governors and Members and appointing key members of staff.

Subject to the Articles of Association, the Trustees may regulate their proceedings as they see fit. The Trust Board holds at least three meetings in every school year. Meetings with the Trustees shall be convened by the Clerk. Schemes of Delegation are in place devolving some powers and responsibilities to the Local Governing Bodies of each academy. The Scheme of Delegation is renewed by the Trust Board annually.

The Executive Principal is the Accounting Officer and works closely with the other Trustees, the Local Governing Bodies and the senior staff of each academy.

The day-to-day management of the Community Inclusive Trust rests with the Executive Principal who has overall responsibility for the Trust. The Executive Principal is responsible for establishing a Senior Leadership Team, including the Head Teacher, Heads of School and the Vice Principals, the appointment, discipline and dismissal of the latter will be referred to the Full Board.

The Executive Principal has delegated authority to appoint, discipline and dismiss with the exception of the Head Teacher, Heads of School and the Vice Principals for whom the full Board holds this authority. Financial authority is delegated in line with the Scheme of Delegation and the Finance Policy that is approved by the full Board on an annual basis. If financial or other business decisions are required between meetings then electronic authority may be sought from the members of the Board. These are monitored throughout the year, in line with an agreed timetable, by the Local Governing Bodies.

In the exercise of its delegated powers and functions, the Trust Board Trustees and the Local Governing Bodies shall ensure that the Academy business is conducted in accordance with the objects/values of the Trust.

1. The Local Governing Body may have delegated powers regarding pupils discipline and curriculum development within the policies approved by the Trust Board;
2. The Trust Board reviews the membership and Terms of Reference for each committee annually. The Chairs of each committee are elected annually (for a term of four years);
3. They will promptly implement and comply with any policies or procedures communicated to the Local Governing Body by the Trustees from time to time;
4. They will review its own policies and practices on a regular basis, in view of any advice or recommendations made by the Trustees;
5. They will work closely with the Trustees and act with integrity, objectively and honestly in the best interest of the Trust and the Academy;
6. They will be open about decisions and be prepared to justify those decisions;
7. They will keep confidential all information of a confidential nature obtained by them relating to the Academy and the Trust; and,
8. They will adopt financial prudence in managing the financial affairs of the Trust in so far as these relate to the Academy and are delegated to them;

The Local Governing Body of Grantham Additional Needs Fellowship (Sandon School and Ambergate Sports College) is comprised as follows:

- (a) The Executive Principal for the Trust
- (b) 1 staff governor
- (c) 2 parent governors
- (d) up to three community governors

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TRUSTEES' REPORT (continued)
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The Local Governing Body of Isaac Newton Primary School is comprised as follows:-

- (a) The Executive Principal for the Trust
- (b) Headteacher
- (c) 1 staff governor
- (d) 2 parent governors
- (e) up to three community governors

For the Academic year 2014/15 the membership of each Local Governing Body as follows:-

GANF	Category of Trustee
Peter Bell	Executive Principal
Ann White	Head Teacher
Sally Hearn	Staff Trustee
Alison Telfer/Katie Bennington	Parent Trustee
John Curnow	Parent Trustee
Kate Powell	Community Trustee
Pauline Brownlow	Community Trustee
Laura Dodd	Community Trustee

NB. Katie Bennington was elected on 20 May 2015, prior to which Alison Telfer remained in office.

	Category of Trustee
Isaac Newton	Category of Trustee
Peter Bell	Executive Principal
Paul Hill	Head Teacher
Katie Brockington	Staff Trustee
Liz Lygo	Parent Trustee
Andrew Pask	Parent Trustee
Kate Scheel	Community Trustee
Pat Whyte	Community Trustee
Carol Mitchell	Community Trustee

NB. Kate Scheel was appointed 3 November 2014, Katie Brockington was appointed 5 November 2014, Carol Mitchell appointed 10 February 2015, Pat Whyte was appointed 5 May 2015. Liz Lygo and Andrew Pask were elected 5 February 2015

RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

The Community Inclusive Trust works in close partnership with the Lincolnshire Learning Partnership. Peter Bell being the SEN representative on the LLP's Headteacher's Board. The newly designated Teaching School is developing an Alliance. Peter Bell is also a member of Elite Teaching School Alliance.

TRUSTEES' INDEMNITIES

Trustees benefit from indemnity insurance purchased at the Company's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Company. Provided that any such insurance shall not extend to: (i) any claim arising from any act or omission which Trustees knew to be a breach of trust or breach of duty of which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not, and (ii) the costs of any unsuccessful defense to a criminal prosecution bought against the Trustees in their capacity as directors of the Company. Further, this Article does not authorise a Trustee to benefit from any indemnity insurance that would be rendered void by the provision of the Companies Act 2006, the Charities Act 2011 or any other provision of law.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015

OBJECTIVES AND ACTIVITIES

OBJECTS AND AIMS

The principle aim of CIT is to create a first class infrastructure that influences education and enables outstanding lifelong learning.

Further aims are as follows:

1. To provide high quality teaching that challenges students and equips them for life.
2. To provide an environment that enables students to learn and teachers to teach effectively.
3. To promote and recognize high standards of achievement in all spheres of activity
4. To encourage a quality of opportunity for all.

OBJECTIVES, STRATEGIES AND ACTIVITIES

To create a self supporting and challenging Trust that attracts good and outstanding schools as well as developing capacity to support other organisations. This will be through school to school support, focused leadership and high quality professional development led by the Teaching School within the Trust.

PUBLIC BENEFIT

The Trustees have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document 'The Advancement of Education for the Public Benefit') into consideration in preparing their Statement on Regularity, Propriety and Compliance contained within this Annual Report.

In accordance with its charitable objectives, the Charitable Company strives to advance the education of the students attending the Academies within the Trust. The Charitable Company's primary beneficiaries are therefore the pupils, and benefits to pupils are provided through continuing to maintain a high standard of education throughout the Academies within the Trust.

In order to determine whether or not the charitable company has fulfilled its charitable objectives for public benefit, the Trustees gather evidence of the success of each Academy within the Community Inclusive Trust activities.

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TRUSTEES' REPORT (continued)
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STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Ambergate
Results

The table below details the accredited qualifications achieved by pupils during the 2014/15 academic year

GCSE	Grade				
	D	E	F	G	U
English	1	3	3	3	0
Maths	0	3	2	3	1
Science	0	1	1	4	2
Geography	0	2		3	4
History	1	1	1	3	2

BTEC	Level			
	E3	L1 Award	L1 Cert.	L2 Cert
Sport	12	8	9	0
Art	6	7	0	0
Public Services	6	0	0	0
Drama	0	8	0	0

Entry Level Cert.	Level		
	E1	E2	E3
English	3	21	3
Maths	4	10	17
Design & Technology	2	1	0

Pathways	Level	
	E2	E3
Prep for work	20	0
Humanities	7	0

Functional skills	Level	
	Level 1	Level 2
English	6	1
Maths	4	0
ICT	0	0

Exam results this year have been very successful with a total of 35 GCSEs achieved over 50 BTECs and in excess of 100 entry levels. All year 11 pupils left the organisation with a minimum of 3 qualifications with the majority of students leaving with over 7. We have also had another very successful year with key stage 2 SATS. 1 student achieved 2 Level 4s and three students achieved Level 3s.

Ambergate also has one pupil who has joined secondary mainstream full time. We have also now developed a link with another secondary Mainstream school where one pupil is currently undertaking inclusion and 2 other pupils are looking to start very soon.

Comparison

On comparison of the CASPA with the NPG data we can see that over the last three academic years the

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number of pupils reaching CASPA targets has continued to increase. In Literacy we can see that there has been an increase in pupils achieving targets year on year with Numeracy being very consistent for the last three years as each year over 95% of students have achieved targets.

Year	CASPA		NPG (UQ)	
	Lit	Num	Lit	Num
12/13	97	96	59	67
13/14	98	98	79	83
14/15	98	95	70	85

Retrospective Tracking Analysis

CASPA

The tables below show the progress of Ambergate pupils over the last 3 years according to CASPA analysis. All values represent the percentage of the total cohort who made expected or above progress. As well as overall and core subject progress the data also shows the progress of target groups within the cohort. Charts showing the data within follow each table.

Subject analysis

The data clearly shows that over the last 3 years the number of pupils making expected or better progress has been consistently outstanding.

Cycle	English	Maths
12/13	97	96
13/14	98	98
14/15	98	95

Target Group Analysis

Progress within the following target groups is detailed below: Key Stages, Gender, Learning Difficulty, Looked-After Children (LAC) and Free School Meals (FSM). Data is provided for the last 3 years and each value represents the percentage of the total cohort making expected or better progress in the core curricular subjects.

Cycle	KS1	KS2	KS3	KS4
12-13	100	96	93	100
13-14	100	98	100	96
14-15	100	96	100	95

The Key Stage analysis shows that all key stages have achieved over 95% of pupils making expected or better progress over the last 3 years. This shows outstanding progression across all key stage levels.

Cycle	Gender	
	M	F
12-13	95	91
13-14	100	95
14-15	97	96

The gender group analysis shows that for the last 3 years there has been no significant disparity between the progress of male and female pupils. The amount of female pupils achieving their targets did drop during 2012-13 due to the increase of female pupils into the Ambergate site however the percentage of girls achieving targets over the next two years shows a consistent upward trend.

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Cycle	Difficulty	
	MLD	SLD
12-13	95	100
13-14	98	100
14-15	97	100

The learning difficulty analysis takes into account the level and type of disability experienced by the pupil. Data for MLD pupils continues to be consistently over 95% with SLD pupils continuing to progress at 100% which is outstanding progress.

Local authority care & Free School Meals

Cycle	LA Care	FSM
12-13	100	92
13-14	100	100
14-15	100	95

The data analysis shows that 100% of looked after children have achieved their targets for three years running.

Cycle	Pupil Premium	Non Pupil premium
12-13	94	96
13-14	98	98
14-15	96	98

100% of students with English as an additional language have achieved their CASPA targets for the last two years.

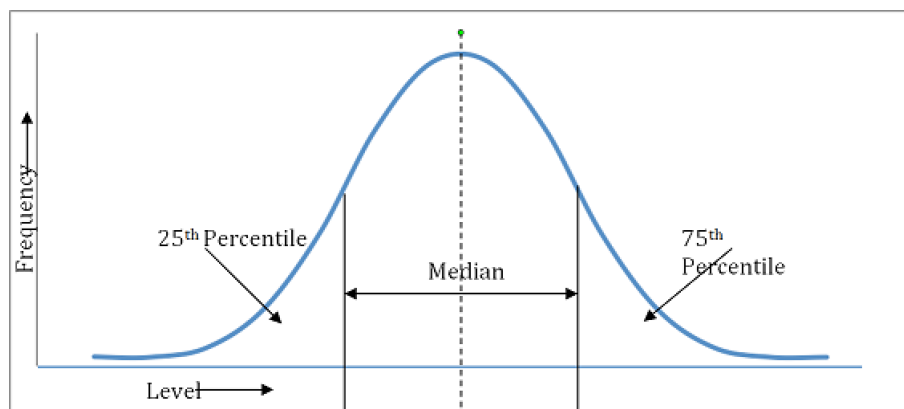
Cycle	EAL
12-13	0
13-14	100
14-15	100

National Progression Guidance

National Progression Guidance focuses on the use of attainment and progress data where learners are working below expected levels. The data is collected from all schools nationally and used to predict stretching targets for pupils of a given age and level that is below that expected nationally. Below is an illustration of the kind of normal distribution that the data present and how the percentiles impact on our analysis.

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TRUSTEES' REPORT (continued)
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The pupils contained within the 25th percentile represent the majority of statemented pupils which also represents 100% of our cohort. Therefore, the fact that for English and Maths even our lowest percentage of students achieving in line with upper quartile targets is 70% this indicates that the targets are stretching and that pupil expectations are high.

Subject analysis

Analysis of progress in Literacy and Numeracy in the last academic year shows that for Literacy 71% of pupils and for Numeracy 79% of pupils made progress in-line with the most stretching Upper Quartile targets using National Progression Guidance. This shows outstanding progress as nationally only 25% of Statemented pupils would be expected to meet these targets.

Cycle	English	Maths
14-15 (UQ)	70	85

Sandon Results

It has been another successful year of results at Sandon with every student leaving the organisation with at least 2 qualifications/awards and the majority leaving with over 7.

The table below details the accredited qualifications achieved by pupils during the 2014/15 academic year

	Level			
	Entry level Introductory Award (E1)	Entry Level Award (E1)	Entry Level Extended Award (E1)	Entry level Introductory Award (E3)
OCR Life & Living Skills	13	13	13	4

Pathways	Level	
	E2	E3
Prep for work	0	3

Entry Level Cert.	Level		
	E1	E2	E3
Design & Technology	1	0	0

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Leavers Results

	Level			
BTEC	E3	L1 Award	L1 Cert.	L2 Cert
Sport	1	1	0	0
Art	1	1	0	0

	Level		
Entry Level Certificate	E1	E2	E3
English	1	4	0
Maths	0	2	1
ICT	0	1	1
Science	0	1	0
PE	1	0	0

	Level			
	Entry level Introductory Award (E1)	Entry Level Award (E1)	Entry Level Extended Award (E1)	Entry level Introductory Award (E3)
OCR Life & Living Skills	2	2	2	3

	ASDAN
Towards Independence	2
Personal Progress	1

Comparison

On comparison of the CASPA data over the last three academic years the number of pupils reaching CASPA targets has been very consistent with both literacy and numeracy always having over 95% of pupils achieving their targets.

	CASPA		NPG (UQ)	
Year	Lit	Num	Lit	Num
12/13	97	99	66	80
13/14	97	95	59	66
14/15	95	95	70	78

Retrospective Tracking Analysis

CASPA

The tables below show the progress of Sandon pupils over the last 3 years according to CASPA analysis. All values represent the percentage of the total cohort who made expected or above progress. As well as overall and core subject progress the data also shows the progress of target groups within the cohort. Charts showing the data follow each table.

Subject analysis

The data clearly shows that over the last 3 years the number of pupils making expected or better progress across the curriculum has been consistently outstanding.

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Cycle	English	Maths
12-13	97	99
13-14	97	95
14-15	95	95

Target Group Analysis

Progress within the following target groups is detailed below: Key Stages, Gender, Learning Difficulty and Looked-After Children (LAC). Data is provided for the last 3 years and each value represents the percentage of the total cohort making expected or better progress in the core curricular subjects.

Cycle	KS1	KS2	KS3	KS4	KS5
12-13	100	92	100	100	100
13-14	100	83	100	100	100
14-15	100	72	94	82	100

Results for Key stage 1 & 5 show that 100% of pupils achieved expected or better CASPA targets this year. There has been a dip in Key stage 2 and 4 this year however this equates to two children not achieving their target in each Key Stage. The two pupils in Key stage 2 last year were learning how to learn and therefore now that they have learnt the essential non academic skills they are well equipped to achieve their CASPA target this year.

The two Pupils in Key stage 4 both transferred across from Ambergate to complete key stage 4 and join the sixth form. These pupils have taken time to adjust to the different environment however are now both excelling against this years target.

Cycle	Gender	
	M	F
12-13	93	89
13-14	97	100
14-15	95	96

The gender group analysis shows that for the last 2 years there has been no significant disparity between the progress of male and female pupils. Both cohorts still sit above 95% of pupils achieving their CASPA Targets.

Cycle	Difficulty	
	PMLD	SLD
12-13	100	98
13-14	100	94
14-15	100	95

The learning difficulty analysis takes into account the level and type of disability experienced by the pupil. Data for PMLD and SLD show the percentage of pupils making expected or better progress in the core subjects continues to be consistently outstanding.

Cycle	LA Care
12-13	100
13-14	100
14-15	100

The data analysis shows that 100% of Looked-After Children made expected or better progress in the last three academic years which shows inspirational progress.

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100% of pupils with English as an additional language have achieved or exceeded their CASPA target in the last 3 years.

Cycle	EAL
12-13	100
13-14	100
14-15	100

The amount of Pupil Premium pupils achieving their CASPA target continues to stay in line with Non Pupil premium students. Although the percentage appears to have dipped it represents one student who is now receiving targeted one to one support to ensure they achieve their target next year.

Cycle	Pupil Premium	Non Pupil Premium
12-13	87	89
13-14	96	96
14-15	92	98

National Progression Guidance

National Progression Guidance focuses on the use of attainment and progress data where learners are working below expected levels. The data is collected from all schools nationally and used to predict stretching targets for pupils of a given age and level that is below that expected nationally. Below is an illustration of the kind of normal distribution that the data present and how the percentiles impact on our analysis.

The pupils contained within the 25th percentile represent the majority of statemented pupils which also represents 100% of our cohort. Therefore, the fact that for English and Maths even our lowest score of pupils on track to achieve upper quartile targets is 70% this indicates that the targets are stretching and that pupil expectations are high.

Subject analysis

Analysis of progress in Literacy and Numeracy in the last academic year shows that for Literacy 59% of pupils and for Numeracy 66% of pupils made progress in-line with the most stretching Upper Quartile targets using National Progression Guidance. This shows outstanding progress as nationally only 25% of Statemented pupils would be expected to meet these targets.

Cycle	English	Maths
12-13 (UQ)	70	78

Isaac Newton Results

The Foundation Stage

Foundation Stage Results						
	% 78+ in and all 13 scales			% 2+ in AOL 1-5		
Year	2010	2011	2012	2013	2014	2015
Number on Roll	49	43	50	60	57	59
Percentage	52%	53%	50%	43% (-9)*	60% (-1)*	64% (+3)**

* Difference with the national average

** Difference with the national average of previous year (current NA not available at time of writing)

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TRUSTEES' REPORT (continued)
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General Trend

The general trend in the Foundation Stage shows that excellent progress has been made in the past two years. The Foundation Stage has gone from significantly below the national average in 2013 to above the national average in 2015. A gain of 21% (43% to 64%) has been made representing a significant gain vs the progress made nationally for the same time period which stands at 9% (53% to 61%). This represents outstanding progress in these two years.

Year 1

Phonics:

The historical phonics results are as follows:

	2012	2013	2014	2015	NA 14
Phonics Passed	62 (+4)	69 (=)	85 (+11)	88 (+14)	74

The 4 year trend is strong (particularly in 2014 (and 2015)). The school has always been level with or above the national average and achievement has accelerated to be significantly above the national average in the last two years.

Year 2

Trends over time (achievement):

	2010	2011	2012	2013	2014	2015	National 14
Number on role	34	35	49	43	46	59	
Reading Level 2+	79	86	88	81 (-8)	89 (-1)	90	90
Reading Level 2b+	47	71	80	77 (-3)	74 (-7)	85	81
Reading Level 3	0	17	10	35 (+6)	26 (-5)	29	31
Writing Level 2+	68	86	84	85 (=)	83 (-3)	90	86
Writing Level 2b+	44	69	65	67 (=)	67(-3)	78	70
Writing Level 3	0	9	4	27 (+12)	13 (-3)	14	16
Mathematics Level 2+	85	97	94	95 (+4)	94 (+2)	95	92
Mathematics Level 2b+	76	80	86	84 (+6)	85 (+5)	85	80
Mathematics Level 3	6	9	6	28 (+5)	20 (-4)	24	24

Yellow shows achievement broadly in line with the national, green is at the national or above, blue is over 5% above. In this cohort less than half of the children had achieved a Good Level of Development in the EYFS. As such to have all areas at least in line with the national represents a huge shift in expectation and progress in year 2.

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	2010	2011	2012	2013	2014	2015	NA 15 Provisional
NoR	44	44	42	42	33	32	
Reading Level 4+	71 (-12)	80 (-4)	79 (-8)	79 (-7)	85 (-4)	94	89
Reading Level 4B+				79 (+4)	76 (-2)	84	80
Reading Level 5+	30	39	45 (-3)	57 (+12)	55 (+5)	50	48
Reading Level 6+	0	0	0	2	0	0	0
Reading 2 Levels Progress	Eng – 92	83	88	83 (-5)	94 (+3)	100	91
Reading 3 Levels Progress				44	67	45	35 (2014)
Writing Level 4+	61	61	52	69	79 (-6)	88	87
Writing Level 4B+							
Writing Level 5+	25	7	19	17	18 (-15)	25	36
Writing Level 6+	0	0	0	0	0	0	0
Writing 2 Levels Progress	Eng – 92	79	80	80 (-9)	91 (-2)	97	94
Writing 3 Levels Progress				10	39	26	33
Grammar, Punctuation and Spelling Level 4+				74 (=)	67 (-9)	88	80
Grammar, Punctuation and Spelling Level 4B+				60		84	73
Grammar, Punctuation and Spelling Level 5+				43 (-5)	45 (-7)	59	56
Grammar, Punctuation and Spelling Level 6+				0	0	0	0
Mathematics Level 4+	80 (+1)	77 (-3)	79 (-5)	81 (-4)	79 (-7)	88	87
Mathematics Level 4B+				74 (+1)	73 (-3)	81	77
Mathematics Level 5+	18 (-16)	23 (-12)	26 (-13)	48 (-7)	33 (-9)	44	42
Mathematics Level 6+	0	0	0	2	3	3	9 (2014)
Maths 2 Levels Progress	79	80	85	88 (=)	82 (-8)	87	90
Maths 3 Levels Progress				44	30	42	35
Level 4 in all			52 (-2 Plot Area)	67 (-8)	70 (-9)	84	81

Here the blue shows where we 5% or more above the 2014 National Average, green where we are at or up to 4% above, yellow where we are within 5% below and red where we are more than 5% below. This clearly shows the areas for development at a glance. As such, had the levelling system continued 3 levels progress in writing, level 5s in writing and level 6 in maths would have been key focus points. These will remain as key areas on which the school works but must be balanced with the historical picture. Of the pupils in year 6 on 1 (3.1%) had achieved a level 3 in writing in KS1. By year 6 25% of pupils were at level 5 – this represents a significant shift in expectation for these pupils.

GOING CONCERN

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

KEY PERFORMANCE INDICATORS

The Trustees use the following key measures to assess the success of the activities of the charitable company:

OUTCOMES FOR PUPILS

- Pupils to achieve targets and to ensure all measures are above the national averages
- Students to be provided with a curriculum to maximise their progress towards qualification success, further study and employability
- Ensure internal assessment is robust and prepare for measuring achievement within “Life without Levels” era

COMMUNITY INCLUSIVE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015

TEACHING AND LEARNING AND ASSESSMENT

- Teaching challenges every pupil to make progress on prior learning, and achieve exceptional results over time
- Teaching is personalized and informed by the highest quality assessment and feedback
- Teaching engages and inspires, developing pupils' curiosity, imagination and love of learning
- Teaching enhances skills, attributes and attitudes, preparing pupils to achieve great success in life
- Teaching involves a passion for innovation and professional improvement

PERSONAL DEVELOPMENT, BEHAVIOUR AND WELFARE

- All pupils to be responsible for their behavior and learning in every lesson
- All groups of pupils feel safe across all the Academies within the Trust at all times
- Pupils are given opportunities to achieve in a wide range of activities

EFFECTIVENESS OF LEADERSHIP AND MANAGEMENT

- All pupils are valued and nurtured within their academy setting
- Individual academy priorities are determined by thorough and accurate self-evaluation
- All staff are valued and supported in their own career progression
- Improve the effectiveness of the Community Inclusive Trust Board and the Local Governing Body's and its Leadership to account

FINANCIAL REVIEW

The Trust held fund balances at 31 August 2015 of £5,513,360, comprising £184,435 of restricted funds, a fixed asset reserve of £7,010,507, a pension reserve deficit of £2,064,000 and £382,418 of unrestricted general funds.

Most of the Trust's income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities. During the period ended 31 August 2015, total expenditure of £4,464,540 was less than recurrent restricted grant funding from the EFA together with other restricted incoming resources. The excess of income over expenditure for the period was £39,376.

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention as the amount of carry forward is monitored. In the period under review, £66,343 was carried forward representing 2.1% of GAG.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2015 this was 112.6% and this will be monitored in future periods.

The Trust's non-teaching staff are entitled to membership of the Local Government Pension Scheme. The Trust's share of the Scheme's assets is currently assessed to be less than its liabilities in the Scheme, and consequently the Academy balance sheet shows a net liability of £2,064,000.

PRINCIPAL RISKS AND UNCERTAINTIES

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

1. The Trust has considerable reliance on continued government funding through the EFA and whilst the current level of funding is expected to continue there is no assurance that government policy of practice will remain the same or that public funding will continue at the same level or the same terms.

COMMUNITY INCLUSIVE TRUST
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015

2. The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, safeguarding, health and safety and discipline.
3. The success of the Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.
4. The Trust has appointed internal auditors to carry out checks on financial systems and records as required by the Academy Financial Handbook.
5. Failures in governance / management and in particular the risk that arises from the potential failure to effectively manage the Trusts finances, internal controls, compliance with regulations and legislation, statutory returns etc.
6. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.
7. As the Trust grows additional risks may be identified. The Trustees will evaluate these risks and ensure that adequate measures are put in place to mitigate and reduce these risks.
8. The continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest levels of educational and care standards. To mitigate this risk Trustees ensure that students care, success and attainment are closely monitored and reviewed.

RESERVES POLICY

The Trustees Policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the Trust and to fund future projects. The Trustees will ensure that the levels of reserves that can be carried forward at the end of the financial year will be in line with the guidance received from the Dfe on the treatment of GAG income and other grants. CIT will try to match income with expenditure in the current year and will only carry forward reserves that it considers are necessary for future years expenditure having regard for:

1. Forecasts of levels of income in future years
2. Forecasts for expenditure in future years
3. Analysis of any future development needs and opportunities that could not be met out of annual income
4. Analysis and forecasts of cash flow and fund management

There is no absolute level of free reserves that the Trust maintains.

INVESTMENTS POLICY

The Trustees investment powers are set down in the charitable Companies Memorandum and Articles of Association, which permit the investment of monies of the charitable company that are not immediately required for its purposes in such investments, securities, or property as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

The charitable company's current policy is to invest surplus funds in short term cash deposits.

PLANS FOR FUTURE PERIODS

FUTURE DEVELOPMENTS

Having established itself as a multi academy trust, Community Inclusive Trust plans to continue to ensure an excellent provision is provided at its current academies and plans to continue to share its expertise and to develop staff training opportunities across the Trust by attracting good and outstanding schools as well as supporting other struggling schools and academies in the East Midlands.

COMMUNITY INCLUSIVE TRUST
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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2015

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The charitable company maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose by donors, sponsors, and other funders.

EQUALITY AND DIVERSITY

The Trustees aim to provide an environment that will promote equality for all staff. Where staff have disabilities the Trustees seek to ensure that reasonable and affordable arrangements are made to ensure they can take full advantage of the generally available entitlement. Trustees ensure there is collaboration with specialist services and agencies to provide coherent and integrated support.

The Trust supports consultation with all staff on matter relating to terms and conditions of employment at the Trust, the Trust vision and strategy and shares information regularly on achievement and performance of the Trust.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 3 December 2015 and signed on the board's behalf by:

P Boucher
Chair of Trustees

COMMUNITY INCLUSIVE TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the Executive Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Community Inclusive Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The board of trustees has formally met 6 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
P Boucher, Chair	6	6
G Cook	6	6
D Metcalfe	4	6
K Weekes	5	6
P Whyte	3	5
P Bell, Accounting Officer	6	6
C Buffham	6	6
D Metcalfe	0	0

During the year P Whyte resigned from the Trust Board on 1 March 2015

Governance reviews:

Following the end of the Academic and Financial year 2014/15 CIT have under taken a Governance review. The template for the review used the NGA Twenty questions 2nd Edition 2015 adapted for the Trust Board.

The review and actions were presented to the Audit committee on 26 November 2015, with proposed actions. Out of the twenty areas reviewed, only two areas were graded red.

Actions were discussed and from the meeting it was agreed that an action plan, with clear time scales will be drawn up. The action plan will support the development of the Trust Board and will be reviewed regularly through the year.

The Finance and General Purposes Committee is a sub-committee of the main board of trustees. Its purpose is to ensure effective financial control, advise the Local Governing Body on risk management and have sole responsibility for the internal and external audit processes. The Accounting Officer is Peter Bell.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
G Cook, Chair	3	3
D Metcalfe	2	3
K Weekes	3	3
P Bell	3	3

COMMUNITY INCLUSIVE TRUST
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GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

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

The accounting officer considers how the 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:

- Undertaking Competitive Tendering processes in line with CIT's policy,
- Review of staffing structures within CIT,
- Review of departments expenditures.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Community Inclusive Trust for the period 4 June 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the period 4 June 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Julia Raftery Consulting Limited as internal auditor.

COMMUNITY INCLUSIVE TRUST
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GOVERNANCE STATEMENT (continued)

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. In particular the checks carried out in the current period included:

- Governance arrangements
- Risk management
- Budget management and financial planning
- Banking arrangements
- Purchasing procedures
- Payroll procedures
- Asset management

On a termly basis, the internal auditor reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

Julia Raftery Consulting Limited visited CIT twice during the period. As this was the first year after conversion it was agreed that Julia Raftery would initially carry out a health check to highlight the main areas of concern and the actions required with the intention to carry out a full in depth audit during 2015 – 16.

The health check provided CIT with an in depth report of areas of concern, actions required and time scales for completion. The report was discussed with the CFO and Finance Committee and actions and time scales were agreed. From the report there were 29 actions identified. No critical recommendations were made, 4 high risk, 20 medium risk and 5 low risk. We are currently working towards reducing the level of risk in all areas identified. Progress towards this goal is reported to the audit committee.

REVIEW OF EFFECTIVENESS

As accounting officer, the Executive Principal has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 3 December 2015 and signed on its behalf, by:

P Boucher
Chair of Trustees

P Bell
Accounting Officer

COMMUNITY INCLUSIVE TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Community Inclusive Trust I have considered my responsibility to notify the academy board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the academy board of trustees are able to identify any material, irregular or improper use of funds by the academy, or material non-compliance with the terms and conditions of funding under the academy's funding agreement and the Academies Financial Handbook (2014).

I confirm that the following instances of material irregularity, impropriety or funding non-compliance discovered to date have been notified to the board of trustees and EFA. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA:

I know that there have been several instances identified during the course of the audit where the Trust's policies, designed to ensure regularity and value for money, were not followed. These points have been discussed at length by the newly formed Audit Committee and actioned as appropriate.

P Bell
Accounting Officer

Date: 3 December 2015

COMMUNITY INCLUSIVE TRUST
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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2015

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

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

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

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

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

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

Approved by order of the members of the board of trustees on 3 December 2015 and signed on its behalf by:

P Boucher
Chair of Trustees

COMMUNITY INCLUSIVE TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY INCLUSIVE TRUST

We have audited the financial statements of Community Inclusive Trust for the period ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

COMMUNITY INCLUSIVE TRUST
(A company limited by guarantee)

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF COMMUNITY INCLUSIVE TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Mark Bradshaw (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

Windsor House
A1 Business Park at
Long Bennington
Notts
NG23 5JR
8 December 2015

COMMUNITY INCLUSIVE TRUST
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INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO COMMUNITY INCLUSIVE TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 31 July 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Community Inclusive Trust during the period 4 June 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

RESPECTIVE RESPONSIBILITIES OF COMMUNITY INCLUSIVE TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Community Inclusive Trust's funding agreement with the Secretary of State for Education dated 28 August 2014, and the Academies Financial Handbook extant from 1 September 2013, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 4 June 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our audit work involved:

- a review of the Academy systems and controls and confirmation of their operation and effectiveness during the year;
- a detailed review of purchase transactions confirming the purpose, value for money and that appropriate tendering or quotation procedures had been followed in line with the Academy finance policy; and
- a review of the Internal Audit reports.

COMMUNITY INCLUSIVE TRUST
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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO COMMUNITY
INCLUSIVE TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 4 June 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

In forming our opinion we have considered the additional disclosure in the Accounting Officer's Statement on Regularity, Propriety and Compliance. In view of the significance of this we consider that it should be drawn to your attention but our opinion is not qualified in this respect.

Mark Bradshaw (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

Windsor House
A1 Business Park at
Long Bennington
Notts
NG23 5JR

8 December 2015

COMMUNITY INCLUSIVE TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE PERIOD ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income - transfer from local authority on conversion	2	426,067	(1,960,000)	6,904,200	5,370,267
Investment income	3	578	-	-	578
Incoming resources from charitable activities	4	172,234	4,503,916	-	4,676,150
TOTAL INCOMING RESOURCES		598,879	2,543,916	6,904,200	10,046,995
RESOURCES EXPENDED					
Charitable activities	6	256,923	4,205,668	40,172	4,502,763
Governance costs	5	-	92,872	-	92,872
TOTAL RESOURCES EXPENDED	7	256,923	4,298,540	40,172	4,595,635
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS					
		341,956	(1,754,624)	6,864,028	5,451,360
Transfers between Funds	18	40,462	(186,941)	146,479	-
NET INCOME FOR THE PERIOD		382,418	(1,941,565)	7,010,507	5,451,360
Actuarial gains and losses on defined benefit pension schemes		-	62,000	-	62,000
NET MOVEMENT IN FUNDS FOR THE PERIOD		382,418	(1,879,565)	7,010,507	5,513,360
<i>Total funds at 4 June 2014</i>		-	-	-	-
TOTAL FUNDS AT 31 AUGUST 2015		382,418	(1,879,565)	7,010,507	5,513,360

All of the academy's activities derive from acquisitions in the current financial period.

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

The notes on pages 30 to 51 form part of these financial statements.

COMMUNITY INCLUSIVE TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 09071623

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £
FIXED ASSETS			
Tangible assets	15		7,054,820
CURRENT ASSETS			
Debtors	16	209,816	
Cash at bank		610,111	
		819,927	
CREDITORS: amounts falling due within one year	17	(297,387)	
		522,540	
NET CURRENT ASSETS			
			522,540
TOTAL ASSETS LESS CURRENT LIABILITIES			
			7,577,360
Defined benefit pension scheme liability	25		(2,064,000)
			5,513,360
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			
			5,513,360
FUNDS OF THE ACADEMY			
Restricted funds:			
Restricted funds	18	184,435	
Restricted fixed asset funds	18	7,010,507	
		7,194,942	
Restricted funds excluding pension liability		7,194,942	
Pension reserve		(2,064,000)	
		5,130,942	
Total restricted funds			5,130,942
Unrestricted funds	18		382,418
			5,513,360
TOTAL FUNDS			
			5,513,360

The financial statements were approved by the Trustees, and authorised for issue, on 3 December 2015 and are signed on their behalf, by:

P Boucher
Chair of Trustees

The notes on pages 30 to 51 form part of these financial statements.

COMMUNITY INCLUSIVE TRUST
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CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2015

	Note	2015 £
Net cash flow from operating activities	20	374,258
Returns on investments and servicing of finance	21	578
Capital expenditure and financial investment	21	(190,792)
Cash transferred on conversion to an academy trust	23	426,067
INCREASE IN CASH IN THE PERIOD		610,111

All of the cash flows are derived from acquisitions in the current financial period.

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE PERIOD ENDED 31 AUGUST 2015

Increase in cash in the period	610,111
MOVEMENT IN NET FUNDS IN THE PERIOD	610,111
NET FUNDS AT 31 AUGUST 2015	610,111

The notes on pages 30 to 51 form part of these financial statements.

COMMUNITY INCLUSIVE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

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

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

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

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

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

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

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

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

COMMUNITY INCLUSIVE TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

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

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

Other income, including the hire of facilities, is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

1.4 Resources expended

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

COMMUNITY INCLUSIVE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the academy's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

The Academy incurs significant repair and replacement costs such that the Trustees believe the property's residual value is not materially different to the cost. Accordingly, no depreciation is charged.

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.

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	not depreciated
Leasehold property	-	improvements depreciated at 5% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	20% straight line
Computer equipment	-	25% straight line

1.7 Operating leases

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

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

1.8 Taxation

The academy is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the academy is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.9 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 25, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.10 Conversion to an academy trust

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

The assets and liabilities transferred on conversion from Ambergate Sports College, The Isaac Newton Primary School and The Grantham Sandon School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Community Inclusive Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 23.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Donation from Local Authority on conversion	<u>426,067</u>	<u>4,944,200</u>	<u>5,370,267</u>

3. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Bank interest	<u>578</u>	<u>-</u>	<u>578</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Trust's Educational Operations	<u>172,234</u>	<u>4,503,916</u>	<u>4,676,150</u>

COMMUNITY INCLUSIVE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

FUNDING FOR TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015	Restricted funds 2015	Total funds 2015
DfE/EFA grants			
General Annual Grant (GAG)	-	3,146,293	3,146,293
Capital grants	-	9,242	9,242
Other DfE/EFA grants	-	412,884	412,884
	-	3,568,419	3,568,419
Other government grants			
SEN funding	-	776,999	776,999
Other revenue grants	-	96,410	96,410
	-	873,409	873,409
Other income			
School trips	11,882	-	11,882
Catering	19,067	-	19,067
Other income	106,027	62,088	168,115
Portage	35,258	-	35,258
	172,234	62,088	234,322
	172,234	4,503,916	4,676,150

5. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £
Internal audit costs	-	1,200	1,200
Auditors' remuneration - audit	-	5,000	5,000
Auditors' remuneration - non audit costs	-	5,200	5,200
Legal and professional fees	-	20,675	20,675
Personnel and HR fees	-	51,105	51,105
Other support costs	-	9,692	9,692
	-	92,872	92,872

COMMUNITY INCLUSIVE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

6. CHARITABLE ACTIVITIES

	Total funds 2015 £
DIRECT COSTS	
Wages and salaries	2,342,856
National insurance	147,212
Pension cost	434,956
Depreciation	9,259
Pension finance cost	54,000
Educational supplies	51,834
Examination fees	14,077
Staff development	44,883
Travel and subsistence	13,642
Other direct costs	33,427
	<hr/>
	3,146,146
SUPPORT COSTS	
Wages and salaries	494,654
National insurance	30,948
Pension cost	91,440
Depreciation	30,913
Recruitment and support	15,729
Maintenance of premises and equipment	109,316
Cleaning	22,225
Rent and rates	3,714
Water	11,885
Energy	50,732
Insurance	87,846
Security	2,444
Catering	142,143
Technology costs	46,904
Occupancy costs	14,921
Travel and subsistence	16,526
Legal and professional fees	114,688
Other support costs	69,589
	<hr/>
	1,356,617
	<hr/>
	4,502,763
	<hr/> <hr/>

COMMUNITY INCLUSIVE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

7. RESOURCES EXPENDED

	Staff costs	Non Pay Premises	Expenditure Other costs	Total
	2015 £	2015 £	2015 £	2015 £
Direct costs	2,925,024	-	221,122	3,146,146
Support costs	617,042	109,316	630,259	1,356,617
Charitable activities	3,542,066	109,316	851,381	4,502,763
Governance costs	-	-	92,872	92,872
	3,542,066	109,316	944,253	4,595,635

8. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly	Support costs	Total
	2015 £	2015 £	2015 £
Academy's Educational Operations	3,146,146	1,356,617	4,502,763

9. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £
Depreciation of tangible fixed assets:	
- owned by the trust	40,172
Auditors' remuneration	5,000
Auditors' remuneration - non-audit	5,200
Governance Internal audit costs	1,200
Operating lease rentals:	
- land and buildings	631
- other operating leases	11,000
	11,000

COMMUNITY INCLUSIVE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

10. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £
Wages and salaries	2,837,510
Social security costs	178,160
Other pension costs (Note 25)	526,396
	<hr/>
	3,542,066
	<hr/> <hr/>

b. Staff numbers

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

	2015 No.
Teachers	34
Management	9
Administration	64
	<hr/>
	107
	<hr/> <hr/>

c. Higher paid staff

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

	2015 No.
In the band £70,001 - £80,000	1
In the band £120,001 - £130,000	1
	<hr/>
	1
	<hr/> <hr/>

The above employees participated in the Teachers' Pension Scheme.

COMMUNITY INCLUSIVE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

11. CENTRAL SERVICES

No central services were provided by the academy to its academies during the period and no central charges arose.

12. TRUSTEES' REMUNERATION AND EXPENSES

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

	2015
	£'000
P Bell, executive headteacher and trustee - remuneration	120-125
P Bell, executive headteacher and trustee - pension	15-20
C Buffham, staff trustee - remuneration	70-75
C Buffham, staff trustee - pension	5-10

During the period, 1 Trustee received reimbursement of expenses amounting to £112.

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the period ended 31 August 2015 was £1,097. The cost of this insurance is included in the total insurance cost.

14. PENSION FINANCE COST

	2015
	£
Expected return on pension scheme assets	43,000
Interest on pension scheme liabilities	(97,000)
	<hr/> (54,000) <hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

15. TANGIBLE FIXED ASSETS

	Freehold property £	Leasehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £
Cost					
Additions	3,367,500	3,569,660	65,944	40,391	51,497
At 31 August 2015	<u>3,367,500</u>	<u>3,569,660</u>	<u>65,944</u>	<u>40,391</u>	<u>51,497</u>
Depreciation					
Charge for the period	-	2,733	16,487	8,079	12,873
At 31 August 2015	<u>-</u>	<u>2,733</u>	<u>16,487</u>	<u>8,079</u>	<u>12,873</u>
Net book value					
At 31 August 2015	<u><u>3,367,500</u></u>	<u><u>3,566,927</u></u>	<u><u>49,457</u></u>	<u><u>32,312</u></u>	<u><u>38,624</u></u>
					Total
					£
Cost					
Additions					7,094,992
At 31 August 2015					<u>7,094,992</u>
Depreciation					
Charge for the period					40,172
At 31 August 2015					<u>40,172</u>
Net book value					
At 31 August 2015					<u><u>7,054,820</u></u>

Included in freehold property is land and buildings at valuation provided by FHP of £3,367,500 which is not depreciated. Included in leasehold property is land and buildings at valuation provided by FHP of £3,515,000 which is not depreciated. The leasehold property is leased on a 125 year lease from Lincolnshire County Council.

The academy's transactions relating to land and buildings included:

- Land and buildings transferred from the local authority on conversion, amounting to £6,882,500;
- Leasehold property improvements of £54,660.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

16. DEBTORS

	2015 £
Trade debtors	3,220
Other debtors	68,716
Prepayments and accrued income	137,880
	209,816
	209,816

17. CREDITORS:
Amounts falling due within one year

	2015 £
Trade creditors	60,358
Other taxation and social security	61,782
Accruals and deferred income	175,247
	297,387
	297,387
	£
Deferred income	
Resources deferred during the year	54,270
	54,270

Deferred income relates to income received to various income streams received in the period which relate to the period from 1 April 2015 to 31 March 2016 such as devolved formula capital, or for the academic and financial year 2015/2016 such as Universal Infant Free School Meals income.

18. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	-	598,879	(256,923)	40,462	-	382,418
	-	598,879	(256,923)	40,462	-	382,418

COMMUNITY INCLUSIVE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

18. STATEMENT OF FUNDS (continued)

Restricted funds

General Annual Grant (GAG)	-	3,146,293	(2,940,798)	(139,152)	-	66,343
Other DfE/EFA Grants	-	516,756	(377,467)	(47,789)	-	91,500
Local Authority Grants	-	840,867	(814,275)	-	-	26,592
Pension reserve	-	(1,960,000)	(166,000)	-	62,000	(2,064,000)
	-	<u>2,543,916</u>	<u>(4,298,540)</u>	<u>(186,941)</u>	<u>62,000</u>	<u>(1,879,565)</u>

Restricted fixed asset funds

Transfer from Local Authority on conversion	-	6,904,200	(5,425)	-	-	6,898,775
Capital expenditure from GAG	-	-	(9,485)	12,882	-	3,397
Other government grants	-	-	(5,966)	50,197	-	44,231
Other activities	-	-	(19,296)	83,400	-	64,104
	-	<u>6,904,200</u>	<u>(40,172)</u>	<u>146,479</u>	<u>-</u>	<u>7,010,507</u>
Total restricted funds	-	<u>9,448,116</u>	<u>(4,338,712)</u>	<u>(40,462)</u>	<u>62,000</u>	<u>5,130,942</u>
Total of funds	-	<u>10,046,995</u>	<u>(4,595,635)</u>	<u>-</u>	<u>62,000</u>	<u>5,513,360</u>

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

Unrestricted funds

Unrestricted funds represent both those resources, as well as funds transferred to the Trust from the Local Authority upon conversion, which may be used towards meeting any of the objects of the Trust at the discretion of the Trustees. These are not currently designated for particular purposes.

Restricted Fixed Asset funds

Transfer from Local Authority represents the buildings and assets transferred to the Trust from the Local Authority upon conversion.

Capital expenditure from GAG represents fixed asset expenditure transferred from other restricted income.

Other government grants represents other EFA and local authority funding transferred from restricted funds.

Other activities represents fixed asset expenditure transferred from other income.

COMMUNITY INCLUSIVE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

18. STATEMENT OF FUNDS (continued)

Restricted Revenue funds

General Annual Grant (GAG) is made up of a number of different funding streams, all of which are used to cover the running costs of the Trust.

Other DfE/EFA Grants represent other restricted funding which does not form part of the GAG funding.

Local Authority Grants represents restricted funding received from the local authority towards the running costs of the Trust.

Pension Reserve represents the current deficit balance of the Local Government Pension Scheme (LGPS).

Under the funding agreement with the Secretary of State, the trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows:

Ambergate Sports College	321,290
The Isaac Newton Primary School	59,379
The Grantham Sandon School	162,455
Central Services	23,729
	566,853
Total before fixed asset fund and pension reserve	566,853
Restricted fixed asset fund	7,010,507
Pension reserve	(2,064,000)
	5,513,360
Total	5,513,360

Analysis of academies by cost

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding dep'n £	Total £
Ambergate Sports College	1,076,377	251,637	19,107	303,745	1,650,866
The Isaac Newton Primary School	910,863	74,309	31,262	262,243	1,278,677
The Grantham Sandon School	1,044,470	182,811	804	327,187	1,555,272
Central Services	-	1,600	660	68,389	70,649
	3,031,710	510,357	51,833	961,564	4,555,464
	3,031,710	510,357	51,833	961,564	4,555,464

COMMUNITY INCLUSIVE TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	-	598,879	(256,923)	40,462	-	382,418
Restricted funds	-	2,543,916	(4,298,540)	(186,941)	62,000	(1,879,565)
Restricted fixed asset funds	-	6,904,200	(40,172)	146,479	-	7,010,507
	<u>-</u>	<u>10,046,995</u>	<u>(4,595,635)</u>	<u>-</u>	<u>62,000</u>	<u>5,513,360</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £
Tangible fixed assets	-	-	7,054,820	7,054,820
Current assets	382,418	437,509	-	819,927
Creditors due within one year	-	(253,074)	(44,313)	(297,387)
Provisions for liabilities and charges	-	(2,064,000)	-	(2,064,000)
	<u>382,418</u>	<u>(1,879,565)</u>	<u>7,010,507</u>	<u>5,513,360</u>

20. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £
Net incoming resources before revaluations	5,451,360
Returns on investments and servicing of finance	(578)
Assets transferred on conversion to an Academy Trust	(5,370,267)
Depreciation of tangible fixed assets	40,172
Increase in debtors	(209,816)
Increase in creditors	297,387
FRS 17 adjustments	166,000
Net cash inflow from operations	<u><u>374,258</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

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

	2015 £
Returns on investments and servicing of finance	
Interest received	578
	2015
	£
Capital expenditure and financial investment	
Purchase of tangible fixed assets	(190,792)
	(190,792)

22. ANALYSIS OF CHANGES IN NET FUNDS

	4 June 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	-	610,111	-	610,111
Net funds	-	610,111	-	610,111

23. CONVERSION TO AN ACADEMY TRUST

On 1 September 2014 Ambergate Sports College and The Grantham Sandon School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Community Inclusive Trust from Lincolnshire County Council for £nil consideration.

On 1 December 2014 The Isaac Newton Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Community Inclusive Trust from Lincolnshire County Council for £nil consideration.

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2015

23. CONVERSION TO AN ACADEMY TRUST (continued)

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	6,882,500	6,882,500
- Other tangible fixed assets	-	-	21,700	21,700
Budget surplus on LA funds	426,067	-	-	426,067
LGPS pension (deficit)	-	(1,960,000)	-	(1,960,000)
Net assets/(liabilities)	<u>426,067</u>	<u>(1,960,000)</u>	<u>6,904,200</u>	<u>5,370,267</u>

The above net assets include £426,067 that were transferred as cash.

24. CONTINGENT LIABILITIES

The academy had no contingent liabilities at 31 August 2015.

In the event of Community Inclusive Trust ceasing to operate as an academy trust, provisions are included in the funding agreement relating to clawback of assets and monies paid to the trust.

25. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Lincolnshire County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

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

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

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25. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

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

During the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015, which will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the period amounted to £190,644.

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2015 was £296,000, of which employer's contributions totalled £228,000 and employees' contributions totalled £68,000. The agreed contribution rates for future years are 19.9% for employers and various % for employees.

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

As described in note 23 the LGPS obligation relates to the employees of the academy, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who

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25. PENSION COMMITMENTS (continued)

transferred on conversion represents their cumulative service at both the predecessor school and the academy at the balance sheet date.

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £
Equities	3.80	721,000
Bonds	3.80	125,000
Property	3.80	116,000
Total market value of assets		<u>962,000</u>
Present value of scheme liabilities		<u>(3,026,000)</u>
(Deficit)/surplus in the scheme		<u><u>(2,064,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2015 £
Present value of funded obligations	(3,026,000)
Fair value of scheme assets	<u>962,000</u>
Net liability	<u><u>(2,064,000)</u></u>

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

	2015 £
Current service cost	(340,000)
Interest on obligation	(97,000)
Expected return on scheme assets	<u>43,000</u>
Total	<u><u>(394,000)</u></u>
Actual return on scheme assets	<u><u>16,000</u></u>

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25. PENSION COMMITMENTS (continued)

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

	2015 £
Current service cost	340,000
Interest cost	97,000
Contributions by scheme participants	68,000
Actuarial Gains	(89,000)
Fair value of defined benefit obligation transferred to the academy upon conversion	2,610,000
	3,026,000
Closing defined benefit obligation	3,026,000

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

	2015 £
Expected return on assets	43,000
Actuarial gains and (losses)	(27,000)
Contributions by employer	228,000
Contributions by employees	68,000
Fair value of pension scheme assets transferred to the academy upon conversion	650,000
	962,000
	962,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £62,000.

The academy expects to contribute £251,000 to its Defined benefit pension scheme in 2016.

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

	2015
European equities	75.00 %
European bonds	13.00 %
Property	12.00 %

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

	2015
Discount rate for scheme liabilities	3.80 %
Expected return on scheme assets at 31 August	3.80 %
Rate of increase in salaries	4.10 %
Rate of increase for pensions in payment / inflation	2.70 %
Commutation of pensions to lump sums	63.00 %

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25. PENSION COMMITMENTS (continued)

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

	2015
Retiring today	
Males	22.2
Females	24.4
Retiring in 20 years	
Males	24.5
Females	26.8

Amounts for the current period are as follows:

Defined benefit pension schemes

	2015
	£
Defined benefit obligation	(3,026,000)
Scheme assets	962,000
Deficit	(2,064,000)
Experience adjustments on scheme assets	(27,000)

26. OPERATING LEASE COMMITMENTS

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

	Land and buildings	Other
	2015	2015
	£	£
Expiry date:		
Within 1 year	6,942	1,206
Between 2 and 5 years	2,500	1,646

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27. RELATED PARTY TRANSACTIONS

Owing to the nature of the trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a trustees has an interest.

T Ellis, director of Virsco Limited is a family relation to both Principal in charge at Ambergate and Principal in charge at Sandon. Transactions during the period amount to £34,200 with £683 outstanding at the period end. No formal tendering or procurement procedure is in place when making purchases from this supplier, however a value for money exercise has been done and the trust feel that although Virsco Limited are more expensive compared with similar suppliers, they are getting better value for money with a better service.