

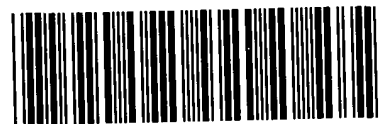
# **The Spencer Academies Trust**

Registered number: 7353824

## **Trustees report and financial statements**

**For the year ended 31 August 2015**

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# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

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# **THE SPENCER ACADEMIES TRUST** **(A Company Limited by Guarantee)**

## **REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS MEMBERS/ TRUSTEES AND ADVISERS** **FOR THE YEAR ENDED 31 AUGUST 2015**

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### **Members**

S Jowett  
A Talbot  
J Wilkinson  
M Thompson  
G Weightman

### **Trustees**

S Jowett  
A Talbot  
J Wilkinson  
M Thompson  
G Weightman  
M Batchelor, Chair of Local Board of Governors, Chetwynd Road Primary Academy  
S Murray, Chair of Local Board of Governors, Wyndham Primary Academy  
D Kinderman, Chair of Local Board of Governors, Fairfield Primary Academy

### **Company registered number**

7353824

### **Principal and registered office**

George Spencer Academy, Arthur Mee Road, Stapleford, Nottingham, Nottinghamshire, NG9 7EW

### **Company secretary**

R G Holmes

### **Trust Strategic Leadership team**

S Jowett, Chief Executive Officer  
F Mitchell, Director of Secondary Education and Executive Principal  
A O'Brien, Director of Primary Education and Executive Principal  
R G Holmes, Chief Financial Officer  
J Wilkinson, Chief Operating Officer

### **Independent auditors**

Mazars LLP, Park View House, 58 The Ropewalk, Nottingham, NG1 5DW

### **Bankers**

Natwest PLC, 13-17 Derby Road, Nottingham, NG1 9HR

### **Solicitors**

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

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust has operated George Spencer Academy, Chetwynd Primary Academy, Wyndham Primary Academy, Fairfield Primary Academy, Portland Spencer Academy, Glenbrook Primary School and Sunnyside Spencer Academy for the whole of the reporting period.

Heanor Gate Science College and Long Field Academy are both previously established academies that were incorporated into the trust on 1 September 2014 and 1 April 2015 respectively, each from their predecessor trusts.

The trust operates six primary and three secondary academies across the East Midlands. It has a pupil capacity of 5573 and had a roll of 5192 in the school census on 2 October 2014.

#### **Structure, governance and management**

##### **a. 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 Spencer Academies Trust Limited are also directors of the charitable company for the purposes of company law. The charitable company is known as The Spencer Academies Trust.

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

##### **b. Members' liability**

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

##### **c. Trustees' indemnities**

The governors have liability insurance with Travelers Insurance Company Limited, 61-63 London Road, Redhill, Surrey, RH1 1NA effective date 01/09/2014. There is a limit of indemnity of £1,000,000.

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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#### **d. Method of recruitment and appointment or election of Trustees**

The number of Directors shall be not less than three and (unless determined by ordinary resolution) shall not be more than fourteen. The articles of association set out the categories of directors and includes the following:

- up to 6 Directors appointed by the members
- the Executive Principal
- up to 5 Academy Directors who are Chairs of Governors of qualifying academy local governing bodies
- Parent Directors
- any Additional Directors appointed by the Secretary of State
- any Further Directors appointed by the Secretary of State
- up to 2 Directors, if appointed by the Secretary of State in accordance with the terms of any Relevant Funding Agreements following the provision of a notice by the Company to terminate that Relevant Funding Agreement
- The number of Directors (including the Executive Principal) appointed by the Members who are employees of the Company may not exceed one third of the total number of Directors

The directors appoint separate committees known as Local Governing Bodies (LGB) or Local Advisory Councils (LAC) for each Academy, which each operate according to their academy Scheme of Delegation. The establishment, terms of reference, constitution and membership of any committee of the directors may be reviewed annually.

The directors listed on page 1 appoint governors to each academy LGB or LAC according to the scheme of delegation for that academy.

The term of office for any governor will be 4 years, except that this time limit does not apply to the Principal. Subject to remaining eligible to be a particular type of governor, any governor can be re-appointed or re-elected.

The governors who were in office in the period under review are listed on page 1.

#### **e. Policies and procedures adopted for the induction and training of Trustees**

As there are normally only two or three new governors a year, induction is tailored specifically to the individual. Other training is conducted according to the trust governor training programme and as necessary.

#### **f. Organisational structure**

The directors of the Trust are responsible for setting general policy, making major decisions about the strategic direction of the trust, capital expenditure, the appointment of the Executive Principal and any Principals of the Academies.

The directors delegate responsibilities to the LGB or LAC of each Academy according to a specific Scheme of Delegation appropriate to the context of the Academy. Local Governing Bodies will normally be responsible for managing staffing matters, adopting an annual plan and monitoring the financial position of the Academy by the use of budgets.

The Local Governing Bodies establish committees of governors to deal with specific areas of responsibility. The establishment, terms of reference, constitution and membership of any committee of the governors is reviewed at least once in every twelve months.

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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Any power or function of the governors exercised by any committee, any governor, Principal or any other holder of an executive office, is reported to the governors through the Principal in respect of any action taken or decision made with respect to the exercise of that power or function at the meeting of the governors immediately following the taking of the action or the making of the decision.

During the period under review the following represent the number of full governing body meetings and committee meetings, respectively: George Spencer Academy 4, 12; Chetwynd Primary Academy 3, 9; Wyndham Primary Academy 4, 5; Fairfield Primary Academy 4, 5; Portland Spencer Academy 5, 0; Glenbrook Primary School 4, 4; Sunnyside Spencer Academy 3, 10.

All governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as governors and training sessions on relevant topics are provided by The Spencer Academies Trust.

#### **g. Related Parties and other Connected Charities and Organisations**

During the year the Trust made payments as detailed in note 27 to M R Holmes Ltd, a company owned and operated by the son of R G Holmes who is the Company Secretary and a member of the Trust strategic leadership team. There were no balances outstanding at the end of the period.

#### **Objectives and Activities**

##### **a. Objects and aims**

The principal object and activity of the charitable company is to advance for the public benefit education in the United Kingdom by establishing, maintaining, carrying on, managing and developing schools (the "Academies") offering a broad and balanced curriculum.

In addition, to promote for the benefit of individuals living in the East Midlands and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interests of social welfare and with the object of improving the condition of life of the said individuals.

In accordance with the articles of association the charitable company has entered into relevant funding agreements for each Academy with the Secretary of State. The funding agreements specify, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should be broad and balanced.

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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#### **b. Objectives, strategies and activities**

During the period ended 31 August 2015 the main objective of the Trust was encompassed in the vision statement:

The Spencer Academies Trust's main strategy is encompassed in its vision statement:

"To improve the life chances of children and young people by challenging and supporting all the schools within the Trust on their journey to and beyond outstanding. To achieve this by developing world-class system leaders."

Beyond the family of Trust schools, the Trust has a strong moral drive to share its expertise by supporting struggling schools, and advising local authorities and education departments nationally and internationally on school improvement.

#### **George Spencer Academy**

The Academy's main objective is to provide an outstanding education for its students. This is achieved by:

- A student centred approach which focusses on the learning and personal development of all the students; enabling all students to experience success and maximise their potential
- Being at the cutting edge of education as we develop as a centre of excellence for teaching and leadership; a true learning organisation with research and development at its core.
- Delivering high quality teaching through high expectations, motivation and enthusiasm underpinned by a comprehensive programme of continuous professional development for all staff.
- Ensuring excellent interpersonal relationships in a caring, encouraging and disciplined environment.
- Effective use of ICT resources, data analysis and assessment.
- Providing students with the best possible environment for learning.

This outstanding converter Academy continues the drive for improvement, benchmarking against the best internationally, with rigorous self and peer assessment. The following demonstrate the Academy's broader outlook for training and development, care for the health and wellbeing of students, the environment and a sustainable globe:

- Outstanding OFSTED May 2015
- Whole Education Award 2014 for student progress
- Microsoft IT Academy programme member 2013-14
- Teaching School and School Centre for Initial Teacher Training (SCITT)
- SSAT Educational Outcomes Award 2014 for student progress (awards annually since 2008)
- Designation as a Regional Maths Hub, one of 30 nationally, learning from international best practice including Shanghai and Singapore
- Centre for Research and Development
- Investor in People re designation (2014)
- Lead school in Network of Excellence in Teaching of Computer Science
- Winners of the Student's EON Energy Saving Campaign Competition
- License holder for the Modular Leadership Development Programmes for the National College (2012)
- Gold Partner Youth Sports Trust (2012)
- Senior Partner in Challenge Partners and continuing engagement with recurrent outstanding reviews
- Chief Executive designated as National Leader of Education 2011 and GSA a National Support School Principal designated as a Local Leader of Education 2015
- 6 staff designated Specialist Leaders of Education
- Other Awards: Notts/Derby Excellence Awards for Enterprising Women; Finalists of the Team of the Year 2011 Award; Eco Schools Award (2011); Healthy Schools Award (2010); Young Carers Quality Standard 2013 award.

Achievement, Confidence, Openness and Responsibility drives the ethos and culture of the Academy.

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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#### **Chetwynd Primary Academy**

The Strategies for Chetwynd Primary Academy mirror those of The Spencer Academies Trust.  
The vision statement is:

'To create a happy, caring and positive learning environment within which all children can achieve success and develop personal competence and responsibility; at all times striving towards the goal of 'outstanding' and beyond, therefore improving the life chances of children and young people.'

Since conversion to Academy status in April 2012 and becoming a co-founder of The Spencer Academies Trust the academy continues to work collaboratively with both the staff at George Spencer Academy and the wider Trust to develop strategies for the future.

During the last year, the new Principal has settled into role and led the Academy through a very successful Ofsted inspection. The new buildings of a kitchen, toilets and meeting room, are now complete. Early plans are being drawn up for a three classroom extension to accommodate our ever increasing pupil roll.

Chetwynd's results in 2015 were significantly above national for L5+ in maths, reading and grammar, punctuation and spelling. They were above national for L4+ in maths and within 2% of national for the other subjects. To ensure that standards are continually raised the Academy closely evaluates its performance in all outcomes. Annual Challenge Partners reviews to support school improvement will continue, external from the Trust and maintain the main elements of the Ofsted Self-Evaluation Form. Chetwynd also works closely with the other schools in the Trust to ensure best practice is shared and Governors play a crucial role in the school's drive to raise standards further.

Everything the school does is driven by its motto of happiness, endeavour and fulfilment.

#### **Wyndham Primary Academy**

In the year 2014-2015, Wyndham Primary Academy increased its numbers significantly due to the improved reputation from the Outstanding OFSTED inspection in May 2014.

Wyndham were the Runners Up in the 2015 TES School of the Year Award and the IAA Transformational Award. These were based on significant improvements made over the last few years. Results in 2015 also showed an improvement on 2014 with above national average results in attainment and progress in Year 6.

The Executive Headteacher became an NLE in February and Wyndham is now a National Support School. To ensure that standards are continually challenged the school is an active member of Challenge Partners who are external from the Trust.

Wyndham staff also work closely with the other schools in the Trust, locally and nationally to ensure best practice is shared in many different ways and deliver professional development on a regular basis.

Going forward, Wyndham is looking to build on its growing reputation to provide more school to school support.



# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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#### **Fairfield Primary Academy**

Fairfield Primary became an Academy in September 2013 under the umbrella of the Spencer Academies Trust. The school is a member of the George Spencer Teaching School Alliance. The large majority of pupils are from White British families. The current Principal took up the post at the start of the term during which the 2012 OFSTED inspection the school was graded 'good'. There were 426 pupils on roll in 2014-15.

In 2015 the percentage of children achieving level 4 or above in reading, writing and maths was in line with the National average at 80%. Those pupils who have fallen behind in earlier years are being helped to make rapid progress. The school takes effective action to enable most pupils, including disabled pupils and those with special educational needs, to reach or exceed their targets. Key strengths from 2015 are KS2 value added was broadly average or above in all subjects and KS2 value added in all subjects was broadly average or above for disadvantaged pupils and those who have special needs.

The focus in 2014-15 was on Reading and narrowing the gap for Boys in Writing and Reading. There was an expectation of 16 points progress for each child.

#### **Portland School**

Portland has had many successes this year. The 2014 results at Portland School showed an improvement from 2013, and although still below national average at Key Stage 2 attainment, the school has continued to be above the floor targets.

At Key Stage 2, the number of children achieving expected progress was above national in reading, writing and maths.

98% of children passed the phonics test at Year 2. This is a 77% rise since 2014 and is significantly above national (90%). 100% of disadvantaged children passed the phonics test. This is 14% above national.

No Ofsted inspection has taken place since the Academy joined the Trust in February 2014. The first OFSTED inspection is expected in Spring 2017.

Portland has received support and challenge from staff at Wyndham to ensure standards rise rapidly and leadership capacity is now increased. The new leadership team is now well placed to improve outcomes across the school.

#### **Glenbrook Primary School**

Glenbrook Primary Academy admitted 91 new pupils into school last year as numbers rapidly rise. This was mainly into our key stage one/ EYFS unit. Some of these pupils were displaced having not previously attended a school and being new to the country. As a result, the make-up of our school is changing as we become much more culturally diverse.

There has been much to celebrate in terms of the end of year results. The school has made rapid progress over the year, particularly in key stage one and EYFS.

In Key Stage 2, there has been an acceleration of progress, particularly for the higher attainers. The school was above the floor target in reading, writing and Maths for the first time ever and 21% of pupils achieved a L5 result in these three subjects (national 24%). However, progress is not yet consistently good. This is particularly so for disadvantaged pupils. Pupils are broadly in line for attainment at the end of Key Stage 2 from very low starting points on entry and the school has made progress and moved out of the bottom 4% of schools to within the bottom 20%.

The school has not yet been inspected as an academy but is involved in Challenge Partners reviews to provide external assurance and evaluation. For the first time school improvement strategies and teaching and learning

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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were both deemed to be good.

The focus is now on embedding previously introduced initiatives to accelerate progress of pupils in key stage 2 which remains the main priority over the next year.

Glenbrook staff are looking forward to taking ownership of the new school at the end of the academic year and are very busy putting plans in place.

#### **Sunnyside Spencer Academy**

Although results in Sunnyside for 2015 were well below national expectations across all levels, there were significant improvements in progress measures. All children achieved expected progress in Reading and Writing and the pass rate for phonics increased from 27% to 53%.

A new Head of School has been in post since May 2015 and the teaching staff are more stable with increased leadership capacity.

Sunnyside has received support and challenge from staff at Wyndham to ensure standards rise rapidly and there is access to outstanding practice on a regular basis.

The next OFSTED is expected in Spring 2017.

The Academy is part of the Priority Schools Building Programme and expects a brand new school building in January 2017. With increasing demand from places both as a result of changes already made and demographics, student numbers have increased to 155 and are predicted to rise further in the near future.

#### **Heanor Gate Science College**

Heanor Gate Science College through regular self-review and improvement planning has identified the following key priority areas:

- To improve the achievement of all students regardless of their background, gender or academic ability including students with special educational needs and disabilities
- To enhance the quality of teaching and learning through highly effective professional development
- To offer a broad, balanced and stimulating curriculum for all students
- To provide high standards of pastoral care for all students
- To encourage participation in a wide range of activities and opportunities outside the classroom
- To improve the learning environment for both staff and students

The achievement of these objectives is through the implementation and regular review of the school improvement plan by Governors and staff, and through the Spencer Academies Trust. All relevant policies will be adopted and implemented by the academy.

#### **Long Field Academy**

The strategic review of priorities for Long Field Academy has resulted in a clear focus for the academic year 2015/16, with specific targets in the following key areas:

- Improve student achievement at all levels
- Increase consistently good and outstanding teaching
- Increase good and outstanding leadership at all levels
- Develop high quality partnership working across the community

Outcomes for these targets will be measured by the Academy and the Trust over the next academic year and the school improvement plan reflects the necessary actions.

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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#### **c. Public benefit**

In setting our objectives and planning our activities the governors have given careful consideration to the Charity Commissions general guidelines in public benefit. The main public benefit delivered by the Trust is the provision of high quality education to its students.

#### **d. Employees**

The Trust is committed to ensuring equality of opportunity for all members of the Trust community. For our Trust this means not simply treating everybody the same but understand and tackling the different barriers which could lead to unequal outcomes for different groups of employees and students in our schools, celebrating and valuing the equal opportunity achievements and strengths of all members of the Trust community.

We believe that equality at our Trust should permeate all aspects of life and is the responsibility of every member of the Trust and wider community. Every member of the Trust community should feel safe, secure, valued and of equal worth. At The Spencer Academies Trust, equality is a key principle for treating all people the same, irrespective of their Age, Disability, Gender reassignment, Pregnancy and maternity, Race, Religion and belief, Sex, Sexual orientation, Marriage and civil partnership.

The Trust has a wide range of buildings and significant works have already been carried out to facilitate disabled access to the various sites. Any refurbishment, redevelopment or rebuild an Academy sites is fully compliant with the DDA. The Trust positively supports recruitment and retention of pupils and employees with disabilities by adapting the physical environment, by making support resources available and through training and career developments.

The Trust works with employee trade unions and professional associations across all our academies and engages in consultation, as required, to ensure that all aspects of the company affecting its employees, including financial and economic factor, is discussed, conveyed and consulted on with them.

### **Strategic Report**

#### **Achievements and performance**

##### **a. Key performance indicators**

**George Spencer Academy** is now in its fifth period of operation. Total students in the period ended 31 August 2015 numbered as follows against a PAN of 224 per year:

Year 7	252
Year 8	237
Year 9	225
Year 10	223
Year 11	226
Year 12	165
Year 13	109
Total	1,437

Results for 2014/15:

# THE SPENCER ACADEMIES TRUST (A Company Limited by Guarantee)

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

	5 A* - C	5 A* - C including maths	5 A* - G	Attendance	Exclusions
2009/10	100%	74%	100%	94%	Fixed Term 52 Permanent 1
2010/11	100%	72%	100%	94%	Fixed Term 58 Permanent 1
2011/12	100%	77%	100%	95%	Fixed Term 62 Permanent 1
2012/13	100%	73%	100%	95%	Fixed Term 46 Permanent 0
2013/14	82%	76%(first entry) 78% (all entries)	98%	95%	Fixed Term 53 Permanent 1
2014/15	74%	67%(first entry) 67% (all entries)	91%	95%	Fixed Term 46 Permanent 0

All student groups performed beyond, or in line with targets. Students have continued to perform significantly above national averages for progress, attainment and value added benchmarks. This goes well beyond a three year trend. To ensure that standards are continually raised the Academy closely evaluates its performance in all outcomes. The academy will continue with the independent scrutiny of a School Improvement Partner, external from the Local Authority and maintain the main elements of the Ofsted Self-Evaluation Form which is the distillation of a self-evaluation process now deeply embedded in all aspects of school life. It will also continue with the academy's participation in the "Challenge Partner" review process as this both supports the academy's own self evaluation process with external assessment and provides opportunities for staff development.

**Heanor Gate Science College** is in its first period of operation as part of The Spencer Academies Trust. Total students in the period ended 31 August 2015 numbered as follows against a PAN of 237 per year:

Year 7	243
Year 8	224
Year 9	228
Year 10	215
Year 11	221
Year 12	89
Year 13	102
Total	1,322

Results for 2014/15:

	5 A* - C	5 A* - C including English / maths	5 A* - G	Attendance	Exclusions
2013/14	62%	52%(first entry) 52% (all entries)	94%	95%	Fixed Term 106 Permanent 6
2014/15	63%	55%(first entry) 55% (all entries)	95%	95%	Fixed Term 82 Permanent 5

All student groups performed beyond, or in line with targets.

To ensure that standards are continually raised the Academy closely evaluates its performance in all outcomes. It will continue with the independent scrutiny of a School Improvement Partner and maintain the main elements of the Ofsted Self-Evaluation Form which is the distillation of a self-evaluation process now deeply embedded in all aspects of school life. The Academy will also participate in the "Challenge Partner" review process as this both supports the self-evaluation process with external assessment and provides opportunities for staff development.

# THE SPENCER ACADEMIES TRUST (A Company Limited by Guarantee)

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

**Long Field Academy** is in its first period of operation as part of The Spencer Academies Trust, having originally converted to Academy status on 1 September 2012 and subsequently joined the Spencer Academies Trust on 1 April 2015. Total students in the period ended 31 August 2015 numbered as follows against a PAN of 160 per year:

Year 7	93
Year 8	95
Year 9	124
Year 10	117
Year 11	149
Year 12	0
Year 13	0
Total	578

Results for 2014/15:

	5 A* - C	5 A* - C including English/maths	5 A* - G	Attendance	Exclusions
2013/14	57%	46%(first entry)	88%	89%	Fixed Term 35 Permanent 0
2014/15	70%	60%(first entry) 60% (all entries)	91%	92%	Fixed Term 77 Permanent 0

The last OFSTED inspection was in September 2014 and the school was put into a category of serious weaknesses (4 on OFSTED). The next inspection is due in the Spring term of 2016. The school is aiming for a 'good' inspection.

As well as supporting the school, the Spencer Academies trust provided Long Field with a Head teacher who worked part time at the school from February 2015 and then full time from June 1st 2015. This was the fifth Head teacher in two years and was important for stability of the school. The school is now fully staffed with a dramatic improvement in student, staff, governor and parent moral. The school has also regained its good reputation in the community.

The school results improved in all areas in the August 2015 results and predictions are showing improvements in all areas again in the August 2016 results.

### Chetwynd Primary Academy

Chetwynd Primary Academy has now completed its third full year of operation.

Student numbers and key indicators are as follows:

Numbers of Students in the Academy

	2014-15	2013-14
PAN (academy total)	301	301
FS1	0	0
FS2	46	44
Year 1	43	44
Year 2	43	43
Year 3	43	40
Year 4	37	41
Year 5	43	42
Year 6	42	43
Total	297	297

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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The percentages of pupils achieving level 4 or above at Key Stage 2 results

	2014-15 (%)	2013-14 (%)
Reading	88	92.9
Writing	85	88.1
Maths	93	95.2

The percentages of pupils achieving 2 levels progress

	2014-15 (%)	2013-14 (%)
Reading	93	95.0
Writing	85	92.5
Maths	90	87.5

#### **Attendance**

	2014-15 (%)	2013-14 (%)
Attendance	97.2	97.1
Unauthorised absence	0.6	0.7

#### **Exclusions**

	2014-15	2013-14
Fixed Term	1	3
Permanent	0	1

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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#### **Wyndham Primary Academy**

Wyndham Primary Academy has now completed its third full year of operation.

Student numbers and key indicators are as follows:

Numbers of Students in the Academy

	2014-15	2013-14
PAN (academy total)	382	382
FS1	44	44
FS2	59	38
Year 1	45	54
Year 2	60	42
Year 3	44	43
Year 4	43	29
Year 5	31	39
Year 6	42	20
Total	368	309

The percentages of pupils achieving level 4 or above at Key Stage 2 results

	2014-15 (%)	2013-14 (%)
Reading	91	100
Writing	91	90
Maths	91	95

The percentages of pupils achieving 2 levels progress

	2014-15 (%)	2013-14 (%)
Reading	93	100
Writing	98	90
Maths	95	100

#### **Attendance**

	2014-15 (%)	2013-14 (%)
Attendance	95.9	95.5
Unauthorised absence	1.0	1.4

#### **Exclusions**

	2014-15	2013-14
Fixed Term	15	8
Permanent	0	1

# THE SPENCER ACADEMIES TRUST (A Company Limited by Guarantee)

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

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### Fairfield Primary Academy

Fairfield Primary Academy has now completed its second full year of operation.

Student numbers and key indicators are as follows:

Numbers of Students in the Academy

	2014-15	2013-14
PAN (academy total)	490	490
FS1		
FS2	30	30
Year 1	30	30
Year 2	30	30
Year 3	94	100
Year 4	86	100
Year 5	90	100
Year 6	90	100
Total	450	490

The percentages of pupils achieving level 4 or above at Key Stage 2 results

	2014-15 (%)	2013-14 (%)
Reading	92	88
Writing	89	89
Maths	90	89

The percentages of pupils achieving 2 levels progress

	2014-15 (%)	2013-14 (%)
Reading	94	88
Writing	94	97
Maths	90	90

### Attendance

	2014-15 (%)	2013-14 (%)
Attendance	96.3	96.6
Unauthorised absence	1.0	1.1

### Exclusions

	2014-15	2013-14
Fixed Term	3	2
Permanent	0	0



# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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#### **Portland Spencer Academy**

Portland Spencer Academy has now completed its second year of operation. Student numbers and key indicators are as follows:

Numbers of Students in the Academy

	2014-15	2013-14
PAN (academy total)	406	406
FS1	63	50
FS2	37	55
Year 1	50	60
Year 2	59	60
Year 3	58	41
Year 4	42	59
Year 5	58	43
Year 6	58	38
Total	425	406

The percentages of pupils achieving level 4 or above at Key Stage 2 results

	2014-15 (%)	2013-14 (%)
Reading	92	71
Writing	89	71
Maths	90	74

The percentages of pupils achieving 2 levels progress

	2014-15 (%)	2013-14 (%)
Reading	94	84
Writing	94	92
Maths	90	87

#### **Attendance**

	2014-15 (%)	2013-14 (%)
% Attendance	94.7	94.1
% Unauthorised absence	2.1	1.7

#### **Exclusions**

	2014-15	2013-14
Fixed Term	5	7
Permanent	0	1

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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#### **Glenbrook Primary School**

Glenbrook Primary School has now completed its second year of operation. Student numbers and key indicators are as follows:

Numbers of Students in the Academy

	2014-15	2013-14
PAN (academy total)	210 + 52N	210 + 52N
FS1	27	49
FS2	55	31
Year 1	29	36
Year 2	45	37
Year 3	35	31
Year 4	29	31
Year 5	28	32
Year 6	29	27
Total	277	274

The percentages of pupils achieving level 4 or above at Key Stage 2 results

	2014-15 (%)	2013-14 (%)
Reading	76	70
Writing	83	70
Maths	72	78

The percentages of pupils achieving 2 levels progress

	2014-15 (%)	2013-14 (%)
Reading	79	80
Writing	97	88
Maths	79	80

#### **Attendance**

	2014-15 (%)	2013-14 (%)
Attendance	95.8	94.8
Unauthorised absence	1.0	1.9

#### **Exclusions**

	2014-15	2013-14
Fixed Term	8	3
Permanent	0	0

# THE SPENCER ACADEMIES TRUST (A Company Limited by Guarantee)

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

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### Sunnyside Spencer Academy

Sunnyside Spencer Academy has now completed its second year of operation. Student numbers and key indicators are as follows:

Numbers of Students in the Academy

	2014-15	2013-14
PAN (academy total)	210	210
FS1	17	-
FS2	29	11
Year 1	21	12
Year 2	21	9
Year 3	15	11
Year 4	17	5
Year 5	15	9
Year 6	11	6
Total	146	63

The percentages of pupils achieving level 4 or above at Key Stage 2 results

	2014-15 (%)	2013-14 (%)
Reading	44	50
Writing	56	50
Maths	78	67

The percentages of pupils achieving 2 levels progress

	2014-15 (%)	2013-14 (%)
Reading	78	83
Writing	100	66
Maths	100	66

### Attendance

	2014-15 (%)	2013-14 (%)
Attendance	92.3	94.8
Unauthorised absence	2.1	

### Exclusions

	2014-15	2013-14
Fixed Term	7	12
Permanent	0	0

### b. Going concern

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

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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#### **Financial review**

The Academies are mostly funded by the EFA using the funding formulae for the cities and shires of Nottingham, Derby and Leicester as appropriate. In addition the Academies receive other funding and recurrent grants from the EFA and the local authorities according to various activities they participate in.

Income and costs are increasing as the Trust includes further new Academies. Voluntary income includes £25,797k (2014: £8,854k) of donated new Academy assets offset by an inherited £3,041k (2014: £1,169k) pension liability.

The trust has also received £1,328k (2014: £1,822k) in capital grants for various maintenance works at the academy sites. Fixed Asset values have increased by £24,393k (2014: £10,878k), due to additions of £2,334k (2014: £3,128k) in year and a depreciation charge of £1,347k (2014: £747k) as well as the inclusion of donated assets for new Academies.

Cash balances increased by £2,260k (2014: £177k). Operating activities generated £616k (2014: £777k) net cash inflow, £2,630k (2014: £357k) was transferred in conversions but this was offset by £1,006k (2014: £1,369k) spent on capital items in excess of grants actually received in the year. This capital spending was largely funded by £1,134k (2014: £564k) from GAG.

Pension liabilities have also increased, partly due to the inclusion of new Academies which accounts for £3,041k (2014: £1,169k) of the movement. The remaining movements are due to changes in assumptions year on year. The year end balances were agreed to external valuations and the assumptions used were deemed appropriate.

The deficits in the Local Government Pension Schemes (LGPS) are recognised on the balance sheet in accordance with the provisions of FRS 17.

The balance sheet as at 31 August 2015 has a positive position with net assets excluding pension liability amounting to £56,722k (2014: £30,601k).

#### **a. Reserves policy**

The director's policy is to review the reserve levels of the Academies annually. The policy of the Trust is to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies plus a contribution towards future capital projects.

The value of free reserves held is stated in the detailed statutory accounts accompanying this report.

#### **b. Investment policy**

Due to the nature of the funding cycle, the Academies may at times hold large cash balances which may not be required for immediate use. The directors have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

#### **c. Principal risks and uncertainties**

The principal risks for the Trust during the next few years are the reduction in students in the Academy's 'normal areas' and any changes to the funding formula. The Academies routinely monitor applications for places and demographic data and model the financial implications of any trends.

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' REPORT (continued)**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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#### **Plans for future periods**

##### **a. Future developments**

The Trust continues to strive for improvement in student outcomes in all Academies at every level. It will endeavour to ensure every student leaver is in employment or engaged in education or training. Each Academy's Development Plan contains details of how objectives are reached over time.

#### **Funds held as custodian trustee on behalf of others**

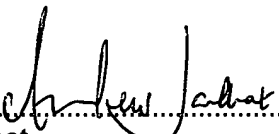
The trust holds funds as custodian trustee in relation to bursary arrangements.

#### **Disclosure of information to auditors**

Insofar as the trustees are aware:

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

This report, incorporating the Strategic Report, was approved by order of the board of trustees, as the company directors, on 22 December 2015 and signed on the board's behalf by:

  
.....  
**A Talbot**  
Chair of Trustees

# THE SPENCER ACADEMIES TRUST (A Company Limited by Guarantee)

## GOVERNANCE STATEMENT

---

### Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Spencer Academies 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 Chief Executive Officer, 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 The Spencer Academies 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 1 time during the year. Directors have in place a Trust Strategic Leadership Team that meets weekly, attended by two of the Trustees. Decisions requiring Director or Trustee consent are communicated by electronic means for approval. Any director or trustee may request a meeting to discuss any matter so communicated. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
S Jowett (Chief Executive/Accounting Officer)	1	1
A Talbot (Chairman)	1	1
G Weightman	0	1
J Wilkinson	0	1
M Thompson	0	1
M Batchelor	1	1
S Murray	0	1
D Kinderman	1	1

As each new school joins the Trust a skills audit and fitness for purpose is undertaken by Board Members, unless an external audit has been commissioned by the by the National College for Teaching and Learning.

The following Governing Bodies were deemed outstanding in their last inspections: George Spencer (2010 and 2015), and Wyndham Academy (2014).

The Governing Bodies of Portland, Chetwynd and Fairfield are strong. They have not been the subject of any external review, Chetwynd's latest Ofsted inspection (2014) confirmed that "Governors know the school well and support or challenge leaders and managers effectively to bring about improvements".

Each LGB conducts an annual self- evaluation, Governance is an aspect scrutinised as part of the annual, external Challenge Partners review, now undertaken by each Academy. An agenda item on each Governing Body meeting requires a reflection on the impact on the school.

The audit committee is a sub-committee of the main board of trustees. Its purpose is to:  
Ensure independent, objective and active monitoring of internal control systems, arrangements for risk management and control and governance process of The Spencer Academies Trust. The terms of reference were reviewed by the committee in May 2015 and the committee has met accordingly.

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **GOVERNANCE STATEMENT (continued)**

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#### **Review of Value for Money**

As accounting officer, the Chief Executive Officer 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:

- pursuing continuous improvement, achieving a consecutive Outstanding OFSTED judgement in May 2015 at George Spencer Academy, the lead school in the Trust, whilst managing staffing and other costs in a difficult financial climate. The OFSTED report concluded that "Students attain results that are well above national averages in a wide range of GCSE subjects, including English, mathematics, humanities and science" validating the quality of outcomes for students.

OFSTED also concluded that "The Principal and Executive Principal are driven by a strong moral purpose to improve students' life chances. They are relentless in their quest for continuous improvement, and provide outstanding leadership in this school, and to the schools they support."

- achieving economies of scale for the expanding Trust, building on in-house service delivery for business services including capital project management, banking, payroll, legal and recruitment services. The scope of business service delivery is periodically reviewed in light of the growth of the Trust, as this growth continues to provide new opportunities for improvements in procurement across the Trust, including for example energy costs, which in turn help to support academic development.
- continuing to work in collaboration to reduce costs and deliver improved outcomes. Examples being the establishment of Trust-wide system leader roles from Executive Heads overseeing multiple academies to Heads of Departments sharing best practice and targeting support to make the greatest impact on student outcomes for example within the Trust at Chetwynd Primary, and beyond with Friesland both achieving OFSTED Good this year.

#### **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 trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Spencer Academies Trust for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The Trust Strategic Leadership Team has, on behalf of the board of trustees, reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is reviewed by the board of trustees.

# THE SPENCER ACADEMIES TRUST

## (A Company Limited by Guarantee)

### GOVERNANCE STATEMENT (continued)

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#### The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the finance and general purposes committees of each Academy 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 at present not to appoint an internal auditor. However, the trustees are keeping this decision under review and have appointed Mazars LLP, the external auditors, to perform additional checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On an annual basis, the auditor reported to the board of trustees, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The reports from the auditor raised a small number of recommendations which have been addressed by changes in working practices.

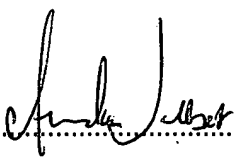
#### Review of Effectiveness

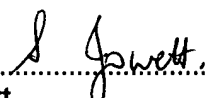
As accounting officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

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

Approved by order of the members of the governing body on 22 December 2015 and signed on its behalf, by:

  
.....  
**A Talbot**  
Chair of Trustees

  
.....  
**S Jowett**  
Accounting officer



## **THE SPENCER ACADEMIES TRUST (A Company Limited by Guarantee)**

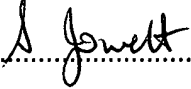
### **STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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

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

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

  
.....  
**S Jowett**  
Accounting Officer

Date: 22 December 2015

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **TRUSTEES' RESPONSIBILITIES STATEMENT**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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The trustees (who act as governors of The Spencer Academies 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:

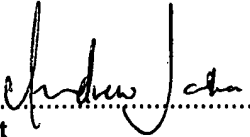
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (2005);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material 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 governing body on 22 December 2015 and signed on its behalf by:

  
.....  
**A Talbot**  
Chair of Trustees

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SPENCER ACADEMIES TRUST**

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

#### **Respective responsibilities of Governors and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 24, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 (APB's) Ethical Standards for Auditors. This report is made solely to the trustees as a body. Our audit work has been undertaken so that we might state to the members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Academy Trust and the members as a body for our audit work, for this report, or for the opinions we have formed.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements:

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

#### **Opinion on other matter prescribed by the Companies Act 2006**

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

**THE SPENCER ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SPENCER ACADEMIES TRUST**

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**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
- 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.



David Hoose (Senior Statutory Auditor)

for and on behalf of

**Mazars LLP**

Chartered Accountants  
Statutory Auditor

Park View House  
58 The Ropewalk  
Nottingham  
NG1 5DW  
22 December 2015

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE SPENCER ACADEMIES TRUST AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 24 September 2015 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 The Spencer Academies Trust during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Spencer Academies Trust and the EFA in accordance with the terms of our engagement letter dated 24 September 2015. Our work has been undertaken so that we might state to The Spencer Academies Trust and the 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 The Spencer Academies Trust and the EFA, for our review work, for this report, or for the conclusion we have formed.

#### **Respective responsibilities of The Spencer Academies Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Spencer Academies Trust's funding agreement with the Secretary of State for Education dated 31 August 2010, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

#### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the 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 trust's income and expenditure.

A summary of the work we have undertaken is as follows:

- Planned our assurance procedures including identifying key risks;
- Carried out sample testing on controls;
- Carried out substantive testing including analytical review; and
- Concluded on procedures carried out.

**THE SPENCER ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

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

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**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

*Mazars LLP*

**Mazars LLP**

Chartered Accountants  
Statutory Auditor

Park View House  
58 The Ropewalk  
Nottingham  
NG1 5DW

22 December 2015

**THE SPENCER ACADEMIES 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 YEAR ENDED 31 AUGUST 2015**

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>Incoming resources</b>						
Incoming resources from generated funds:						
Donated assets on transfer	2	805,298	(2,032,533)	23,983,043	22,755,808	7,685,114
Other voluntary income	2	-	20,532	5,995	26,527	37,304
Activities for generating funds	3	699,375	1,188,599	-	1,887,974	1,038,445
Investment income	4	13,415	-	-	13,415	11,535
Incoming resources from charitable activities	5	-	25,442,334	1,327,996	26,770,330	16,243,714
<b>Total incoming resources</b>		<b>1,518,088</b>	<b>24,618,932</b>	<b>25,317,034</b>	<b>51,454,054</b>	<b>25,016,112</b>
<b>Resources expended</b>						
Costs of generating funds:						
Fundraising expenses and other costs		1,059,542	705,617	-	1,765,159	1,138,534
Charitable activities	7	-	25,706,215	1,347,031	27,053,246	14,559,567
Governance costs	8	-	155,284	-	155,284	122,713
<b>Total resources expended</b>		<b>1,059,542</b>	<b>26,567,116</b>	<b>1,347,031</b>	<b>28,973,689</b>	<b>15,820,814</b>
<b>Net incoming / (outgoing) resources before transfers</b>		<b>458,546</b>	<b>(1,948,184)</b>	<b>23,970,003</b>	<b>22,480,365</b>	<b>9,195,298</b>
Transfers between Funds	18	-	(1,133,647)	1,133,647	-	-
<b>Net income for the year</b>		<b>458,546</b>	<b>(3,081,831)</b>	<b>25,103,650</b>	<b>22,480,365</b>	<b>9,195,298</b>
Actuarial gains and losses on defined benefit pension schemes	25	-	(16,000)	-	(16,000)	(637,000)
<b>Net movement in funds for the year</b>		<b>458,546</b>	<b>(3,097,831)</b>	<b>25,103,650</b>	<b>22,464,365</b>	<b>8,558,298</b>
Total funds at 1 September 2014		1,770,670	(3,515,168)	28,196,678	26,452,180	17,893,882
<b>Total funds at 31 August 2015</b>	<b>18</b>	<b>2,229,216</b>	<b>(6,612,999)</b>	<b>53,300,328</b>	<b>48,916,545</b>	<b>26,452,180</b>

All of the academy trust's activities in the previous period derive from both acquisitions and continuing operations, activities in the current period relate to both continuing activities and acquisitions.

The notes on pages 32 to 55 form part of these financial statements.

# THE SPENCER ACADEMIES TRUST

Registered number: 7353824

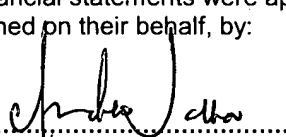
(A Company Limited by Guarantee)

## BALANCE SHEET

AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
<b>Fixed assets</b>					
Tangible assets	14		52,518,277		28,125,231
<b>Current assets</b>					
Debtors	15	1,320,544		1,128,514	
Cash at bank		5,601,253		3,341,508	
		<u>6,921,797</u>		<u>4,470,022</u>	
<b>Creditors: amounts falling due within one year</b>	16	<u>(2,694,377)</u>		<u>(1,972,747)</u>	
<b>Net current assets</b>			4,227,420		2,497,275
<b>Total assets less current liabilities</b>			56,745,697		30,622,506
<b>Creditors: amounts falling due after more than one year</b>	17		<u>(24,152)</u>		<u>(21,326)</u>
<b>Net assets excluding pension scheme liability</b>			56,721,545		30,601,180
Defined benefit pension scheme liability	25		<u>(7,805,000)</u>		<u>(4,149,000)</u>
<b>Net assets including pension scheme liability</b>			<u>48,916,545</u>		<u>26,452,180</u>
<b>Funds of the academy</b>					
Restricted funds:					
General funds	18	1,192,001		633,832	
Fixed asset funds	18	53,300,328		28,196,678	
Restricted funds excluding pension liability		<u>54,492,329</u>		<u>28,830,510</u>	
Pension reserve		<u>(7,805,000)</u>		<u>(4,149,000)</u>	
Total restricted funds			46,687,329		24,681,510
General fund	18		<u>2,229,216</u>		<u>1,770,670</u>
<b>Total funds</b>			<u>48,916,545</u>		<u>26,452,180</u>

The financial statements were approved by the trustees, and authorised for issue, on 22 December 2015 and are signed on their behalf, by:

  
A Talbot  
Chair of Trustees

The notes on pages 32 to 55 form part of these financial statements.



**THE SPENCER ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £	2014 £
Net cash inflow from operating activities	20	616,005	777,304
Returns on investments and servicing of finance	21	13,415	11,535
Capital expenditure	21	(1,005,896)	(1,305,824)
Cash transferred on conversion to an academy trust		2,630,266	357,124
<b>Cash inflow/(outflow) before financing</b>		<b>2,253,790</b>	<b>(159,861)</b>
Financing	21	5,955	(17,513)
<b>Increase/(Decrease) in cash in the year</b>		<b>2,259,745</b>	<b>(177,374)</b>

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

	2015 £	2014 £
Increase/(Decrease) in cash in the year	2,259,745	(177,374)
Cash outflow/(inflow) from decrease in debt and lease financing	(5,955)	17,513
<b>Movement in net funds in the year</b>	<b>2,253,790</b>	<b>(159,861)</b>
Net funds at 1 September 2014	3,302,669	3,462,530
<b>Net funds at 31 August 2015</b>	<b>5,556,459</b>	<b>3,302,669</b>

The notes on pages 32 to 55 form part of these financial statements.

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015**

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#### **1. Accounting Policies**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below

##### **1.2 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 trust to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

##### **1.3 Incoming resources**

All incoming resources are included in the Statement of Financial Activities when the trust 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 trust 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 trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the trust 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 trust's policies.

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

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.

# THE SPENCER ACADEMIES TRUST

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

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#### 1. Accounting Policies (continued)

##### 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 Tangible fixed assets and depreciation

All assets costing more than £1,000 are considered for capitalisation as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and 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 trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Donated assets are valued either by an external valuer or by management based on their best estimate of the market value of these items.

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. Impairments losses are recognised in the Statement of Financial Activities.

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

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

Freehold property	-	50 years Straight Line
L/Term Leasehold Property	-	10-75 years Straight Line
Motor vehicles	-	4 years Straight Line
Fixtures and fittings	-	8 years Straight Line
Computer equipment	-	3 years Straight Line

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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#### **1. Accounting Policies (continued)**

##### **1.6 Leased assets**

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

##### **1.7 Taxation**

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

##### **1.8 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 25, the TPS is a multi-employer scheme and the trust 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 trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 the 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 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.

# THE SPENCER ACADEMIES TRUST

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

#### 1. Accounting Policies (continued)

##### 1.9 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

##### 1.10 Agency arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA and other funds. In respect of bursary funds, payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The relevant amounts are included within cash and other creditors. The funds received and paid and any balances held are disclosed in note 30.

#### 2. Voluntary income

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Donations upon the transfer of an existing academy	805,298	21,950,510	22,755,808	7,685,114
Donations	-	26,527	26,527	37,304
Total voluntary income	805,298	21,977,037	22,782,335	7,722,418

#### 3. Activities for generating funds

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Hire of facilities	53,758	-	53,758	38,711
Catering income	622,611	-	622,611	241,683
Academy trips	-	621,955	621,955	608,512
Sundry income	23,006	566,644	589,650	149,539
	699,375	1,188,599	1,887,974	1,038,445

**THE SPENCER ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**4. Investment income**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Investment income	13,415	-	13,415	11,535

**5. Funding for Academy's educational operations**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
<b>DfE/EFA grants</b>				
General Annual Grant (GAG)	-	21,527,940	21,527,940	11,950,279
Start up grants	-	30,000	30,000	55,000
Other DfE/EFA grants	-	1,478,654	1,478,654	1,045,577
Lottery grant	-	-	-	150,000
Capital grants	-	1,327,996	1,327,996	1,672,348
	-	24,364,590	24,364,590	14,873,204
<b>Other government grants</b>				
SCITT	-	564,968	564,968	433,800
Other grants	-	1,288,652	1,288,652	597,772
Teaching schools	-	552,120	552,120	338,938
	-	2,405,740	2,405,740	1,370,510
	-	26,770,330	26,770,330	16,243,714

**THE SPENCER ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**6. Resources expended**

	Staff costs £	Premises £	Other costs £	Total 2015 £	Total 2014 £
Costs of activities for generating funds	355,311	-	1,409,848	1,765,159	1,138,534
- Direct costs	17,220,579	1,111,046	2,009,795	20,341,420	10,936,148
- Allocated support costs	3,300,554	1,828,397	1,582,875	6,711,826	3,623,419
Sub total	20,876,444	2,939,443	5,002,518	28,818,405	15,698,101
Governance costs including allocated support costs	-	-	155,284	155,284	122,713
Total	20,876,444	2,939,443	5,157,802	28,973,689	15,820,814

**7. Direct costs**

	Total 2015 £	Total 2014 £
Teaching and educational support staff	17,220,579	9,400,284
Depreciation	1,111,046	624,289
Educational supplies	551,100	323,397
Examination fees	306,940	136,609
Staff development	124,230	68,846
Educational consultancy	843,348	304,128
Other direct costs	184,177	78,595
Total	20,341,420	10,936,148

**THE SPENCER ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**Support costs**

	<b>Total 2015 £</b>	<b>Total 2014 £</b>
Support staff costs	2,701,554	1,359,346
FRS17 pension cost less contributions payable	446,000	190,000
FRS17 pension finance income	153,000	100,000
Depreciation	235,985	122,720
Technology costs	285,688	160,381
Recruitment and support	112,118	59,436
Maintenance of premises and equipment	457,512	267,113
Cleaning	364,878	252,808
Rent and rates	178,011	102,998
Energy costs	406,561	222,203
Insurance	152,894	67,823
Security and transport	32,669	28,017
Bank interest and other charges	6,879	2,509
Other support costs	1,178,077	688,065
<b>Total</b>	<b>6,711,826</b>	<b>3,623,419</b>

**8. Governance costs**

	<b>Total funds 2015 £</b>	<b>Total funds 2014 £</b>
Legal and professional fees	117,248	96,015
Auditors' remuneration	21,250	14,250
Auditors' non audit costs	13,140	6,335
Governance costs	3,646	6,113
	<b>155,284</b>	<b>122,713</b>

**9. Net incoming / (outgoing) resources**

*This is stated after charging:*

	<b>2015 £</b>	<b>2014 £</b>
Depreciation of tangible fixed assets:		
- owned by the charity	1,347,031	747,009
Auditors' remuneration	21,250	14,250
Auditors' remuneration - non-audit	13,140	6,335



**THE SPENCER ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**10. Staff**

**a. Staff costs**

Staff costs were as follows:

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Wages and salaries	16,126,494	8,733,325
Social security costs	1,106,864	613,610
Other pension costs (Note 25)	2,732,587	1,417,172
	<u>19,965,945</u>	<u>10,764,107</u>
Supply teacher costs	757,499	384,044
FRS17 costs	153,000	100,000
	<u><u>20,876,444</u></u>	<u><u>11,248,151</u></u>

**b. Staff numbers**

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

	<b>2015</b>	<b>2014</b>
	<b>No.</b>	<b>No.</b>
Teachers	286	178
Administration and support	288	165
Management	41	23
	<u>615</u>	<u>366</u>

**c. Higher paid staff**

The number of employees whose emoluments exceeded £60,000 was:

	<b>2015</b>	<b>2014</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	8	2
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	2	1
In the band £100,001 - £110,000	1	0
In the band £110,001 - £120,000	1	0
In the band £130,001 - £140,000	0	1
	<u><u>0</u></u>	<u><u>1</u></u>

The above employees participated in the Teachers' Pension Scheme.

# THE SPENCER ACADEMIES TRUST

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

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#### 11. 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 Principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal 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 £	2014 £
S Jowett (Principal and governor)	110,000-115,000	135,000-140,000
G Weightman (staff governor)	40,000-45,000	35,000-40,000
J Wilkinson (staff governor)	65,000-70,000	20,000-25,000

During the year, no trustees received any reimbursement of expenses (2014 - £NIL).

In addition to these benefits, the value of Governor's employer's pension contributions fell within the following bands:

	2015 £	2014 £
S Jowett (Principal and governor)	Nil	10,000-15,000
G Weightman (staff governor)	Nil	Nil
J Wilkinson (staff governor)	5,000-10,000	0-5,000

# THE SPENCER ACADEMIES TRUST

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

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#### 12. Central services

The trust has provided the following central services to its academies during the year:

- Human resources
- Financial services
- Legal services
- Educational support services
- Others as arising

The trust charges for these services on the following basis:

Flat percentage of GAG income - 5% for secondary schools and 4% for primary schools.

The actual amounts charged during the year were as follows:

	2015 £
George Spencer	332,520
Wyndham	44,520
Chetwynd	44,400
Fairfield	60,120
Portland	66,960
Glenbrook	40,080
Sunnyside	16,800
Heanor Gate	328,800
Long Field	60,650
Total	<u>994,850</u>

#### 13. Trustees' and officers' insurance

In accordance with normal commercial practice the trust 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. The cost of this insurance is included in the total insurance cost.

**THE SPENCER ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**14. Tangible fixed assets**

	Freehold Land and Buildings £	L/Term Leasehold Property £	Motor vehicles £	Furniture & equipment £
<b>Cost</b>				
At 1 September 2014	14,129,474	13,499,111	36,940	917,103
Additions	346,511	832,592	39,167	341,709
Donated assets	23,124,125	-	15,918	225,684
Transfers	-	449,523	-	-
At 31 August 2015	37,600,110	14,781,226	92,025	1,484,496
<b>Depreciation</b>				
At 1 September 2014	507,977	436,628	28,888	359,868
Charge for year	522,082	392,595	11,672	168,278
At 31 August 2015	1,030,059	829,223	40,560	528,146
<b>Net book value</b>				
At 31 August 2015	36,570,051	13,952,003	51,465	956,350
At 31 August 2014	13,621,497	13,062,483	8,052	557,235
		<b>Computer equipment £</b>	<b>Assets under construction £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 September 2014		798,307	449,523	29,830,458
Additions		410,673	363,240	2,333,892
Donated assets		40,458	-	23,406,185
Transfers		-	(449,523)	-
At 31 August 2015		1,249,438	363,240	55,570,535
<b>Depreciation</b>				
At 1 September 2014		371,866	-	1,705,227
Charge for year		252,404	-	1,347,031
At 31 August 2015		624,270	-	3,052,258
<b>Net book value</b>				
At 31 August 2015		625,168	363,240	52,518,277
At 31 August 2014		426,441	449,523	28,125,231

The trust's transactions relating to land and buildings included the acquisition of freehold land and buildings which was donated to the trust at a value of £23,124,125.

**THE SPENCER ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**15. Debtors**

	2015 £	2014 £
Trade debtors	90,578	93,637
VAT recoverable	325,284	135,844
Other debtors	355,077	660,211
Prepayments	549,605	238,822
	<u>1,320,544</u>	<u>1,128,514</u>

**16. Creditors:**  
**Amounts falling due within one year**

	2015 £	2014 £
Other loans	20,642	17,513
Trade creditors	887,949	655,445
Other taxation and social security	347,773	202,658
Other creditors	375,100	187,122
Accruals and deferred income	1,062,913	910,009
	<u>2,694,377</u>	<u>1,972,747</u>

**Deferred income**

Deferred income at 1 September 2014	778,488
Resources deferred during the year	807,322
Amounts released from previous years	(778,488)
Deferred income at 31 August 2015	<u>807,322</u>

As at 31 August 2015 the trust is in receipt of income pertaining to the 2015-16 academic year. As the accounts are prepared on a full accrual basis the correct accounting treatment is to treat these items as deferred to future periods.

The source of the income deferred is as follows:

£323,332	- DFE grants
£38,000	- SCITT income
£139,631	- Local Government grants
£197,538	- Educational trips
£50,662	- Training courses
£58,159	- Sundry
<u>£807,322</u>	

**THE SPENCER ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

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**17. Creditors:**  
**Amounts falling due after more than one year**

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Other loans	<b>24,152</b>	<b>21,326</b>

The other loan relates to a EFA approved loan received from Nottinghamshire County Council. The loan is unsecured and interest free however there is a 15% management charge applied to an element of the loan balance. The loan is being repaid by annual instalments of £20,642.

**THE SPENCER ACADEMIES TRUST**  
**(A Company Limited by Guarantee)**

**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**18. Statement of funds**

	<b>Brought Forward</b> £	<b>Incoming resources</b> £	<b>Resources Expended</b> £	<b>Transfers in/out</b> £	<b>Gains/ (Losses)</b> £	<b>Carried Forward</b> £
<b>Unrestricted funds</b>						
General Funds	1,770,670	1,518,088	(1,059,542)	-	-	2,229,216
<b>Restricted funds</b>						
General annual grant (GAG)	633,832	21,527,940	(19,836,124)	(1,133,647)	-	1,192,001
Start up grant	-	30,000	(30,000)	-	-	-
Other DfE/EFA grants	-	3,884,394	(3,884,394)	-	-	-
Other restricted	-	2,217,598	(2,217,598)	-	-	-
Pension reserve	(4,149,000)	(3,041,000)	(599,000)	-	(16,000)	(7,805,000)
	<u>(3,515,168)</u>	<u>24,618,932</u>	<u>(26,567,116)</u>	<u>(1,133,647)</u>	<u>(16,000)</u>	<u>(6,612,999)</u>
<b>Restricted fixed asset funds</b>						
DfE/EFA capital grants	4,936,470	1,333,991	(205,389)	-	-	6,065,072
Capital donations	21,428,570	23,983,043	(893,572)	-	-	44,518,041
Capital expenditure from GAG	1,831,638	-	(248,070)	1,133,647	-	2,717,215
	<u>28,196,678</u>	<u>25,317,034</u>	<u>(1,347,031)</u>	<u>1,133,647</u>	<u>-</u>	<u>53,300,328</u>
<b>Total restricted funds</b>	<u>24,681,510</u>	<u>49,935,966</u>	<u>(27,914,147)</u>	<u>-</u>	<u>(16,000)</u>	<u>46,687,329</u>
<b>Total of funds</b>	<u>26,452,180</u>	<u>51,454,054</u>	<u>(28,973,689)</u>	<u>-</u>	<u>(16,000)</u>	<u>48,916,545</u>

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

- Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the academy at the discretion of the Governors;
- Restricted funds (excluding pension and other restricted reserves) represent funds received from the Department for Education and is specifically spent on the running of the academy;
- Pension reserve represents the movements on the Local Government Pension Scheme liability;
- Other restricted reserve represents funds which are restricted by the donor including school trip income;
- Restricted fixed asset funds represent resources which are applied to specific capital purposes imposed by the Department for Education where the asset acquired or created is held for a specific purpose.

The transfers between reserves relates to capital expenditure funded by GAG income.

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.

# THE SPENCER ACADEMIES TRUST

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

#### 18. Statement of funds (continued)

##### Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows:

	Total £
George Spencer	759,551
Wyndham	361,066
Chetwynd	112,637
Fairfield	68,923
Portland	209,509
Glenbrook	329,026
Sunnyside	42,773
Heanor Gate	891,395
Long Field	646,337
Total before fixed asset fund and pension reserve	3,421,217
Restricted fixed asset fund	53,300,328
Pension reserve	(7,805,000)
Total	48,916,545

##### 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 depn £	Total £
George Spencer	5,619,537	860,807	147,764	2,437,719	9,065,827
Wyndham	977,935	279,119	34,839	239,376	1,531,269
Chetwynd	797,339	198,164	18,742	273,172	1,287,417
Fairfield	1,235,747	171,626	45,701	363,624	1,816,698
Portland	1,168,239	261,823	143,640	454,734	2,028,436
Glenbrook	792,289	222,743	36,601	327,559	1,379,192
Sunnyside	326,834	66,053	24,071	162,517	579,475
Heanor Gate	5,269,577	1,053,248	92,309	1,471,148	7,886,282
Long Field	772,004	173,169	7,434	297,638	1,250,245
Central services	261,078	369,113	-	171,626	801,817
	17,220,579	3,655,865	551,101	6,199,113	27,626,658



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**FOR THE YEAR ENDED 31 AUGUST 2015**

**19. Analysis of net assets between funds**

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	52,518,277	52,518,277	28,125,231
Current assets	2,229,216	3,910,530	782,051	6,921,797	4,470,022
Creditors due within one year	-	(2,694,377)	-	(2,694,377)	(1,972,747)
Creditors due in more than one year	-	(24,152)	-	(24,152)	(21,326)
Provisions for liabilities and charges	-	(7,805,000)	-	(7,805,000)	(4,149,000)
	<u>2,229,216</u>	<u>(6,612,999)</u>	<u>53,300,328</u>	<u>48,916,545</u>	<u>26,452,180</u>

**20. Net cash flow from operations**

	2015 £	2014 £
Net income	22,480,365	9,195,298
Interest receivable	(13,415)	(11,535)
Inherited defined benefit pension scheme liability	3,041,000	1,169,000
Capital grants from DfE and other capital income	(1,327,996)	(1,822,348)
Depreciation	1,347,031	747,009
Cash transferred on conversion to academy trust	(2,630,266)	(357,124)
FRS17 pension cost less contributions payable (Note 26)	446,000	190,000
FRS17 pension finance income (Note 26)	153,000	100,000
Increase in debtors	(192,030)	(794,800)
Fixed assets inherited on conversion	-	(8,496,990)
Increase in creditors	718,501	858,794
Donated fixed assets from existing academies	(23,406,185)	-
<b>Net cash inflow from operations</b>	<u>616,005</u>	<u>777,304</u>

**21. Returns on investments and servicing of finance**

	2015 £	2014 £
Interest received	<u>13,415</u>	<u>11,535</u>

# THE SPENCER ACADEMIES TRUST

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

#### 21. Returns on investments and servicing of finance (continued)

	2015 £	2014 £
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(2,333,892)	(3,128,172)
Capital grants from DfE/EFA	1,327,996	1,822,348
<b>Net cash outflow capital expenditure</b>	<b>(1,005,896)</b>	<b>(1,305,824)</b>
	2015 £	2014 £
<b>Financing</b>		
Movement of loans	5,955	(17,513)

#### 22. Analysis of changes in net funds

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	3,341,508	2,259,745	-	5,601,253
<b>Debt:</b>				
Debts due within one year	(17,513)	-	(3,129)	(20,642)
Debts falling due after more than one year	(21,326)	-	(2,826)	(24,152)
<b>Net funds</b>	<b>3,302,669</b>	<b>2,259,745</b>	<b>(5,955)</b>	<b>5,556,459</b>

#### 23. Transfer to an academy trust

The following academies transferred all the operations and assets and liabilities to The Spencer Academies Trust for £NIL consideration:

- Heanor Gate Science College - 1 September 2014
- Long Field Academy - 1 April 2015

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.

# THE SPENCER ACADEMIES TRUST

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

#### 23. Transfer to an academy trust (continued)

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	23,124,125	23,124,125
- Other tangible fixed assets	-	-	282,060	282,060
Budget surplus/(deficit) on LA funds	25,441	-	-	25,441
Budget surplus/(deficit) on other school funds	1,019,500	1,008,467	576,858	2,604,825
LGPS pension surplus/(deficit)	-	(3,041,000)	-	(3,041,000)
Other identified assets and liabilities	(239,643)	-	-	(239,643)
Net assets/(liabilities)	805,298	(2,032,533)	23,983,043	22,755,808

The above net assets include £2,630,266 that were transferred as cash.

#### 24. Capital commitments

At 31 August 2015 the trust had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	308,381	543,787

#### 25. Pension commitments

The trust'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 the Nottinghamshire County Council, Derbyshire County Council and Leicestershire 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.

Contributions amounting to £315,094 were payable to the scheme at 31 August 2015 (2014 - £179,735) and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

# **THE SPENCER ACADEMIES TRUST**

## **(A Company Limited by Guarantee)**

### **NOTES TO THE FINANCIAL STATEMENTS**

#### **FOR THE YEAR ENDED 31 AUGUST 2015**

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#### **25. Pension commitments (continued)**

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.

##### **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 £2,403,268 (2014: £1,316,711).

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 trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

##### **Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £1,117,000, of which employer's contributions totalled £842,000 and employees' contributions totalled £275,000. The agreed contribution rates for future years are 13 to 20.4% for employers and 5.5 to 12.5% for employees.

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

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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**25. Pension commitments (continued)**

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	5.10	4,824,000	6.50	2,741,000
Gilts	5.80	119,000	3.00	212,000
Other bonds	5.10	815,000	3.50	274,000
Property	5.10	749,000	5.40	420,000
Cash	5.50	270,000	3.00	161,000
Other	5.80	145,000	-	-
Total market value of assets		6,922,000		3,808,000
Present value of scheme liabilities		(14,727,000)		(7,957,000)
Deficit in the scheme		(7,805,000)		(4,149,000)

The amounts recognised in the Balance Sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(14,727,000)	(7,957,000)
Fair value of scheme assets	6,922,000	3,808,000
Net liability	(7,805,000)	(4,149,000)

The amounts recognised in the Statement of Financial Activities are as follows:

	2015 £	2014 £
Current service cost	(1,288,000)	(613,000)
Interest on obligation	(485,000)	(268,000)
Expected return on scheme assets	332,000	168,000
Total	(1,441,000)	(713,000)
Actual return on scheme assets	141,000	306,000

# THE SPENCER ACADEMIES TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

#### 25. Pension commitments (continued)

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

	2015 £	2014 £
Opening defined benefit obligation	7,957,000	4,094,000
Current service cost	1,288,000	613,000
Interest cost	485,000	268,000
Contributions by scheme participants	275,000	141,000
Actuarial (Gains)/losses	(244,000)	567,000
Estimated benefits paid	(106,000)	(65,000)
Inherited	5,072,000	2,339,000
	<u>14,727,000</u>	<u>7,957,000</u>
Closing defined benefit obligation		

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

	2015 £	2014 £
Opening fair value of scheme assets	3,808,000	2,041,000
Expected return on assets	332,000	168,000
Actuarial gains and (losses)	(260,000)	(70,000)
Contributions by employer	842,000	423,000
Contributions by employees	275,000	141,000
Estimated benefits paid	(106,000)	(65,000)
Inherited	2,031,000	1,170,000
	<u>6,922,000</u>	<u>3,808,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £1,005,000 loss (2014 - £989,000 loss).

The trust expects to contribute £898,000 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	2014
Equities	69.00 %	72.00 %
Gilts	2.00 %	6.00 %
Other bonds	12.00 %	7.00 %
Property	11.00 %	11.00 %
Cash / liquidity	4.00 %	4.00 %
Other	2.00 %	- %

# THE SPENCER ACADEMIES TRUST

## (A Company Limited by Guarantee)

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

#### 25. Pension commitments (continued)

##### Nottinghamshire County Council Pension Fund

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

	2015	2014
Discount rate for scheme liabilities	4.00 %	3.90 %
Rate of increase in salaries	4.50 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %
Inflation assumption (CPI)	2.70 %	2.70 %

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

	2015	2014
Retiring today		
Males	22.1	22.0
Females	25.2	25.1
Retiring in 20 years		
Males	24.2	24.1
Females	27.6	27.4

##### Derbyshire County Council Pension Fund

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.50 %
Rate of increase in salaries	3.60 %	3.40 %
Rate of increase for pensions in payment / inflation	2.70 %	2.60 %

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

	2015	2014
Retiring today		
Males	22.0	22.0
Females	24.2	24.2
Retiring in 20 years		
Males	24.1	24.1
Females	26.6	26.6

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**25. Pension commitments (continued)**

Leicestershire County Council Pension Fund

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

	<b>2015</b>	<b>2014</b>
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.50 %
Rate of increase in salaries	4.60 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %

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

	<b>2015</b>	<b>2014</b>
Retiring today		
Males	22.2	22.2
Females	24.3	24.3
Retiring in 20 years		
Males	24.2	24.2
Females	26.6	26.6

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	<b>2015</b> £	<b>2014</b> £	<b>2013</b> £	<b>2012</b> £	<b>2011</b> £
Defined benefit obligation	(14,727,000)	(7,957,000)	(4,094,000)	(2,985,000)	(1,731,000)
Scheme assets	6,922,000	3,808,000	2,041,000	1,483,000	983,000
Deficit	<u>(7,805,000)</u>	<u>(4,149,000)</u>	<u>(2,053,000)</u>	<u>(1,502,000)</u>	<u>(748,000)</u>
Experience adjustments on scheme assets	<u>(260,000)</u>	<u>(70,000)</u>	<u>149,000</u>	<u>19,000</u>	<u>13,000</u>



# THE SPENCER ACADEMIES TRUST

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

#### 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	2014	2015	2014
	£	£	£	£
<b>Expiry date:</b>				
Within 1 year	-	-	1,000	-
Between 2 and 5 years	-	-	29,804	-
	<u>-</u>	<u>-</u>	<u>30,804</u>	<u>-</u>

#### 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 trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

M R Holmes Limited - a company in which Gary Holmes' (senior management team) son has a majority interest supplied goods to the value of £15,791. There is no year end creditor.

#### 28. Post balance sheet events

From 1 September 2015, Inkersall Primary School has joined the Spencer Academies Trust.

#### 29. Members liability

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

#### 30. Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for the EFA. In the accounting period ending 31 August 2015 the trust received £27,252 and disbursed £11,323 from the fund. An amount of £60,998 is included in other creditors relating to undistributed funds that is repayable to EFA.