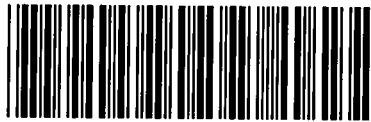


Company Registration No. 08131158 (England and Wales)

**NEW BRIDGE MULTI ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**  
**GOVERNORS' REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

SATURDAY



\*A61HFCQG\*

A04

04/03/2017

#104

COMPANIES HOUSE

# **NEW BRIDGE MULTI ACADEMY TRUST**

## **CONTENTS**

---

	<b>Page</b>
Reference and administrative details	1 - 2
Governors' report	3 - 11
Governance statement	12 - 16
Statement on regularity, propriety and compliance	17
Statement of governors' responsibilities	18
Independent auditor's report on the accounts	19 - 20
Independent reporting accountant's report on regularity	21 - 22
Statement of financial activities including income and expenditure account	23 - 24
Balance sheet	25
Statement of cash flows	26
Notes to the accounts including accounting policies	27 - 43

---

# NEW BRIDGE MULTI ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

---

### Governors

P Fitzgerald  
L Hunt  
G Quinn (Head Teacher)  
C Kindon  
C Baker (nee Watson)  
K Evans  
M Ramsbottom  
K Stapleton  
S Williams (Chair of Governors)  
C Williams  
K Lucas (Resigned 31 December 2015)  
A Nield  
P Palmer  
J Readyhough  
J Webber

### Members

J Webber  
K Stapleton  
L Hunt  
P Fitzgerald

### Senior management team

- Executive Principal, Accounting Officer	G Quinn
- Director of Operations	R Righini
- Head of Site NBS	J Lamb
- Head of Site HWA	S Lockwood
- Head of Site LC	D Allison
- Director of Training	J Richardson
- Director of Standards	J Dunne
- Director of Standards	G Howard
- Director of ASD	D Hall
- Director of Care	K Lockwood
- Director of extended schools	K Bingley
- Director of Post 19	J Holland
- Director of HR	S Smith
- Director of Pastoral/Behaviour	A Tootill
- Director of Employment	D Wood

### Company secretary

R Righini

### Company registration number

08131158 (England and Wales)

### Registered office

Roman Road  
Hollinwood  
Oldham  
Lancs  
OL8 3PH

# NEW BRIDGE MULTI ACADEMY TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

---

### Academies operated

New Bridge School  
Hollinwood Academy  
Central Services

### Location

Oldham  
Oldham

### Head Teacher

G Quinn  
G Quinn

### Independent auditor

UHY Hacker Young Manchester LLP  
St James Building  
79 Oxford Street  
Manchester  
M1 6HT

### Bankers

Lloyds TSB Bank  
16 Market Place  
Oldham  
Lancashire  
OL1 1JG

# **NEW BRIDGE MULTI ACADEMY TRUST**

## **GOVERNORS' REPORT**

### ***FOR THE YEAR ENDED 31 AUGUST 2016***

---

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

The trust operates two academies.

New Bridge School – an academy for pupils aged 11 to 19 serving a catchment area of Greater Manchester. It has a pupil capacity of 300 and had a roll of 352 in the school census in May 2016.

Hollinwood Academy - an academy for pupils aged 4 to 19 serving a catchment area of Greater Manchester. It has a pupil capacity of 140 and had an initial planned phased intake over three years of 50 pupils in September 2015, 50 in September 2016 and 40 in September 2017.

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

##### Constitution

The Multi 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 multi academy trust. The trustees of New Bridge Multi Academy Trust (NB MAT) are also the directors of the charitable company for the purposes of company law. The charitable company is known as New Bridge Multi Academy Trust (company number 08131158).

Details of the Trustees who served throughout the year except as noted are included in the Reference and Administrative Details section on page 1.

##### Members' liability

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

##### Governors' indemnities

Each Trustee 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 trustee, or within one year after they cease to be a Trustee, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a trustee.

The trustees have liability insurance with the RPA scheme effective date 1st September 2015. There is a limit of indemnity of £5,000,000.

# **NEW BRIDGE MULTI ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2016***

---

#### Method of recruitment and appointment or election of governors

Potential Trustees can be recruited through:

- Recommendation
- Referral from an organisation in the process of joining the MAT
- Self-Referral
- Advertisement, following a skills audit which identifies gaps

Potential Trustees will, in the first instance, be met by the Executive Principal and given an overview of the organisation from an operational perspective. They will be given background written information about the organisation and invited to meet with two members. This meeting will ascertain the following information:

- Skills
- Background
- Experience of working within a governance role
- Experience of working with people with learning disabilities.

It is a two-way process and the discussion should present the prospective Trustees with an opportunity to find out more about being a trustee for NB MAT and decide whether or not they are still interested.

They will be asked to complete, at this stage, an application form and a DBS form if they wish to continue the process of appointment.

Two references will be followed up, directly following this meeting and on receipt of the references and DBS check, recommendations will be made to the members committee and, if agreed, the new candidate will be invited to attend the next available Board of Trustees meeting. The new Trustee will be formally elected at the Board of Trustees meeting.

At this point, the new trustee will be asked to:

- Complete and sign the declaration of interest form, to be retained by the company secretary.
- Sign a declaration that they are eligible to serve as a Director
- Agree and sign two copies of the code of conduct, one to be retained by the Trustee and the other by the Company Secretary.

# **NEW BRIDGE MULTI ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2016***

---

### Policies and procedures adopted for the induction and training of governors

At induction all Trustees receive:

- An organisational chart
- A welcome pack
- An account set up with National Governors Association
- An account set up with the 'UseTheKey'
- Outline of current boards skills and experience
- A copy of the previous year's annual report and financial report
- A copy of the memorandum and articles of association
- A copy of the previous board meeting minutes.
- A copy of any business plans.
- Charity Commission CC3 – The essential trustee: What you need to know
- Charity Commission CC60 – The Hall marks of an Effective Charity

All new Trustees will be invited to attend:

- Safeguarding Children's Training
- Staff and Volunteer Induction Training
- Safer recruitment training.

New Trustees will be encouraged to visit all sites across the MAT. Trustees will be offered ongoing training opportunities and be kept up to date with Charity Commission guidance and policy news through the board meetings and via email. They will be invited to attend relevant training pertinent to their role, such as:

- Health and Safety
- Employment Law
- Financial Management
- Diversity and equal opportunities

This training may be in a collective setting or individual and may be provided either in-house or from other reputable training providers.

### **Organisational Structure**

The Trustees are responsible for setting general policy, adopting an annual development plan and budget, monitoring the Trusts' Academies and senior staff appointments. The members also monitor the performance of the senior management team.

The Trustees meet once each term to receive reports from committees and to manage strategic objectives.

# **NEW BRIDGE MULTI ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

### ***FOR THE YEAR ENDED 31 AUGUST 2016***

---

#### Organisational structure

The Board of Trustees has five main boards:

##### **1 - The Business Board**

The board meets termly and is established to review and agree the trust's proposals for the budget and deliver it to the appropriate full governing body, the board has an overview of the school fund account and reviews and keeps track of expenditure. The board also takes into account the use of premises, grounds and extended school facilities. They monitor the efficient use of utilities such as water, electricity or gas and maintain an overview of costs and lettings of the premises. This board also ensures that the trust complies with health and safety guidelines and takes external advice where appropriate. Staff have the opportunity to be involved in the development of safe workplace practices to meet Health & Safety guidelines.

##### **2 - The Safeguarding Board**

The board meets termly and has responsibility for pupil attendance, exclusion, behaviour, child protection, and extended schools. The board also takes into account the pupil dashboard and the holistic progress of all young people.

##### **3 - The Standards Board**

The board meets termly and comprises all learning and other experiences that each school provides for its pupils. Responsibilities for the standards board are shared between the Executive Principal, the Governing Body and the Secretary of State for Education and Skills. The board has responsibility for monitoring test results and teaching of the national curriculum and reviewing the assessment policy, school visit policy and schools' provision and policy on sex education, collective worship and RE. It also monitors provision for pupils with special educational needs or exceptional ability.

##### **4 - The Personnel Board**

The board meets termly and has responsibility for reviewing and agreeing staff provision, agreeing procedures for staff selection, monitoring probationary periods, appointments and performance management, contributing to the appraisal of the Executive Principal, reviewing and agreeing staff training programmes and reviewing and agreeing pay.

##### **5 - The Audit Board**

This board meets termly and is an advisory body with no executive powers. The purpose of the board is to promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of these funds. The committee has a wider brief to audit many different areas of the academy over a twelve month cycle.

#### Arrangements for setting pay and remuneration of key management personnel

The Trust is committed to mirroring national pay as a minimum. This is done for both teaching and non-teaching staff. Pay and remuneration are considered as part of the trusts appraisal programme. The Chair and Vice chair of Trustees carry out an annual appraisal of the Executive Principal and the Executive Principal leads on the appraisal of Senior Leadership Team members.



# **NEW BRIDGE MULTI ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2016***

---

### Related parties and other connected charities and organisations

Throughout the year the Trust has continued to develop partnerships with schools both locally and nationally. The Executive Principal is the Chair of the National Special Schools Voice that advises ministers and the EFA on matters relating to SEN.

We also continue to work with the Greater Manchester Challenge, a collective of 9 Local Authorities. We have permanent hubs within Royal Oldham Hospital and Manchester Metropolitan University which are used as a base for our pupils who are on year-long work placements with each organisation.

The Trust has teaching school status which affords wide networking prospects and the ability to partner with other schools in providing support, training and peer review opportunities.

The New Bridge Fund is a registered charity, set up to fundraise for New Bridge School and the two work together to provide best value for money.

The school works closely with New Bridge Horizons Limited in assisting pupils and their families in accessing Individual Budgets that provide for 19-25 provision. Directors of the school are also directors of New Bridge Horizons Limited.

### **Objectives and activities**

#### Objects and aims

The principal objective and activity of the charitable company is the operation of New Bridge School and Hollinwood Academy to provide education for pupils between the ages of 11 and 19 with a statement of special educational need.

#### Objectives, strategies and activities

Our main aims are to:

To develop a campus that places itself at the heart of the community and values the contribution of every individual.

To offer all pupils and students access to the highest quality facilities and excellent staff.

To offer all pupils and students an extended school year through the development of holiday clubs and after school activities.

To ensure all children and young people are on an appropriate challenging pathway with a clear aspirational destination.

#### Public benefit

The Trustees confirm that they have complied with their duty in Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission for England & Wales. The Trustees have referred to the Charities Commission's general guidance on public benefit when reviewing the Trust's objectives and aims and in planning future activities for the year. The Academy continues to be at the heart of its community, promoting community cohesion and sharing facilities with other schools and the wider community.

# **NEW BRIDGE MULTI ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2016**

---

### **Strategic report**

#### **Achievements and performance**

As any new academy joins the Trust the Trustees are determined to maintain our traditional ethos, values, standards and achievements, whilst continuing to work to fulfil our medium and longer term development plans.

The aims of the trust rest on the following principles:

- To improve achievement and attainment in the core areas at all key stages through access to a personalised curriculum
- To extend our community involvement and participation
- To ensure that all students, pupils and staff are kept safe
- To further develop our professional training packages
- To ensure that both the technological and environmental conditions are conducive to optimum learning

In February 2015 New Bridge School achieved an "outstanding" judgement following a full Ofsted inspection.

Attendance of pupils at New Bridge was 93.7%.

Both New Bridge School and Hollinwood Academy were oversubscribed throughout the year with demand for places far in excess of our published admission numbers.

The Trust makes good use of an "on track approach" to monitoring progress. Individual pupil dashboards show an overview of all progress, both curricular and holistic. The ethos, aims and curriculum are driven by transitional pathways leading to fulfilling, contributory and worthwhile opportunities for all students as they progress into adulthood.

There is an expectation, in all core areas, that the majority of young people will engage in external accreditation at the end of Key Stage 4 and students have access to a wide variety.

Students make excellent progress in their social and employability skills through the wide range of opportunities on offer which develop these. These include Scouts, Independent Travel, residential visits and Duke of Edinburgh's Award where a group of young people have completed the Bronze Award and are beginning to work towards the Silver Award

There are reductions in the number of young people who are NEET (not in employment, education or training) due our innovative vocational pathways, especially Bridging the Gap. This project has been successful in ensuring that a larger than average number of young people with SEN go on to paid employment.

Of the pupils on roll:

- Over 170 pupils access holiday clubs during half term and end-of-term breaks.
- Around 90 pupils access After-school clubs which are held Monday – Thursday until 5:00pm
- 143 pupils took part in residential visits to Euro Disney, Haven Holidays, Calvert Trust and Kingswood.

#### Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the 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.

# NEW BRIDGE MULTI ACADEMY TRUST

## GOVERNORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

---

### Financial review

#### Operating and Financial Review

The Trust's income is obtained from the EFA in the form of a General Annual Grant (GAG), the use of which is restricted to particular purposes; i.e. the objects of the Academy Trust. The GAG received during the period covered by this report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. We also receive High Needs Funding from Local Authorities. In addition, the Academy generates income through the hire of facilities and services.

A Capital Grant was awarded to the School by the EFA to provide fixed assets. £213,000 was awarded for the replacement of one third of the roof at the trust's Learning Centre Site

Expenditure for the period covered by this report was covered by the GAG received from the DfE and other income from Local Authorities for High Needs Funding as well as activities for generating funds.

#### Key Performance Indicators are:

- 93% consistently good and/or outstanding observed teaching.
- Student attendance (KS3 and KS4) at a minimum of 92% (excluding young people with long term medical conditions)
- To continue to develop the organisation through the prudent review of available funds.

#### Reserves policy

The policy of the Trust is to carry forward a prudent level of reserves designed to meet the long-term cyclical needs of renewal and any unforeseen contingencies, subject to the constraint that the level of reserves does not exceed the level permitted by the EFA. In addition, that the resources are primarily used to meet the needs of the pupils within the Academy and therefore that any reserves are kept under review and are not deemed excessive.

The combined General Restricted Fund and Unrestricted Fund show an operating deficit of £2,460,573 although before actuarial losses on defined benefit pension schemes of £2,040,000 and depreciation of £1,132,247 net income was £711,674. This operating surplus is the result of detailed and tight budgeting and budget control procedures which were inherited from the former school, and which have been firmly embedded in the Academy Trust's daily financial management.

At the balance sheet date, the school had total funds of £14,443,979, of which £225,158 are unrestricted.

The restricted funds include £3,899,205 (deficit) on the pension fund reserve.

#### Investment policy and powers

Any surplus income is held within the school's designated bank accounts with Lloyds TSB Bank and accrues interest at the designated rate. The school does not invest funds elsewhere or enter into any schemes e.g. equity bonds. It does not have sufficient reserves to enter into any long term secured investments.

# **NEW BRIDGE MULTI ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2016***

---

### Principal risks and uncertainties

Uncertainties relating the next stage of the reform of school funding arrangements, particularly around SEN funding, the foreseeable freeze on the Government's overall education budget, changes in funding arrangements for special needs pupils and increasing employment and premises costs are all contributing to cost pressure in future periods.

The major risks to the which the Trust is exposed, as identified by the trustees, have been reviewed, and systems and procedures have been established to mitigate those risks. There is a risk register which is regularly reviewed at Board Meetings and any actions are agreed as required.

The Trust recognises that the Local Government Pension Schemes is a significant potential liability. The Trust is able to meet its known annual deficit contribution commitments for the foreseeable future, the risk from this liability is minimised and is manageable.

No current academy faces any financial risk associated with falling rolls. We meet regularly with our Local Authority to increase planned admission numbers to meet local shortages of places for SEN across the Trust. We are in phase 2 of a staged intake of pupils to the Trusts' new academy. This expansion of pupil numbers continues to be an opportunity to strengthen the finances of all academies.

Uncertainties relating the next stage of the reform of school funding arrangements, particularly around SEN funding, the foreseeable freeze on the Government's overall education budget, changes in funding arrangements for special needs pupils and increasing employment and premises costs are all contributing to cost pressure in future periods.

### **Plans for future periods**

There are a number of plans which the Academy Trust will address over the next year. These are:

1. The smooth transition of Spring Brook School into the Trust by end December 2016.
2. To strive to secure grants that allow improved school accommodation and curricular opportunity.
3. To ensure that every student in the Trust makes progress.
4. To further develop and refine the pupil dashboard so that all progress both academic and holistic is recorded and measured.
5. To complete a financial review of all specialist areas across the MA to ensure best practice standards
6. To continue to explore innovative ways of developing, training and retaining high quality staff.
7. To develop the newly designated Teaching School and forge partnerships across the North West.
8. To review the current MAT governance model and allow maximum challenge, critical friendship and increased accountability.

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

During the period from 1 September 2015 to 31 August 2016 New Bridge MAT did not hold any funds as a custodian trustee on behalf of any other charitable organisation.

# **NEW BRIDGE MULTI ACADEMY TRUST**

## **GOVERNORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2016***

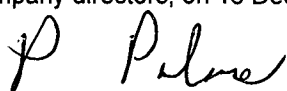
---

### **Auditor**

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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.

The governors' report, incorporating a strategic report, was approved by order of the board of governors, as the company directors, on 16 December 2016 and signed on its behalf by:



P Palmer  
**Governor**

# **NEW BRIDGE MULTI ACADEMY TRUST**

## **GOVERNANCE STATEMENT**

***FOR THE YEAR ENDED 31 AUGUST 2016***

---

### **Scope of responsibility**

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

The Trustees have delegated the day-to-day responsibility to the Executive Principal, as Accounting Officer, for ensuring financial controls conform to the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between New Bridge MAT and the Secretary of State for Education.

He is also responsible for reporting to any material weaknesses or breakdowns in internal control to the Trustees. The information on governance included here supplements that described in the Trustees Report and in the Statement of Trustees Responsibilities.

# NEW BRIDGE MULTI ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

---

### Governance

The Trustees of New Bridge MAT formally met 13 times during the year. Attendance was:

Trustee	Meetings attended	Out of a possible
G Quinn	12	13
S Williams	10	13
J Readyhough	13	13
P Palmer	13	13
M Ramsbottom	11	13
A Nield	10	13

### Review of Governance Structures

An in-year review of governance took place. All Trustees and local governors completed a skills audit which was then summarised to identify any challenge or weakness in either local governance or with Trustees. None were identified during the self-review. Training courses will be offered to address any weakness that may be found in future audits.

No governor received any remuneration in respect of their duties as governor from the Academy during the year.

The next self-evaluation of governance is due to take place in the Autumn term 2016.

### Business Board Meetings

The business board is a sub-committee of the main board of Trustees. The business board meets termly and is established to review and agree the Trust's proposals for the budget and deliver it to the appropriate full governing body, the board has an overview of the school fund account and reviews and keeps track of expenditure. The board also takes into account the use of premises, grounds and extended school facilities. They monitor the efficient use of utilities such as water, electricity or gas and maintain an overview of costs and lettings of the premises. This board also ensures that the trust complies with health and safety guidelines and takes external advice where appropriate. Staff have the opportunity to be involved in the development of safe workplace practices to meet Health & Safety guidelines. Attendance was:

Trustee	Meetings attended	Out of a possible
G Quinn	2	3
S Williams	3	3
J Readyhough	3	3
P Palmer	3	3
M Ramsbottom	3	3
A Nield	2	3

### Audit Board

Members of the audit board review internal and external financial statements on behalf of the board promoting a climate of financial discipline and control which helps to reduce the opportunity for financial mismanagement and to promote the development of internal control systems which will help satisfy the board that the body concerned will achieve its objectives and targets and is operating in accordance with any statutory requirements for the use of public funds.

The board is authorised by the Trustees to investigate any activity within its terms of reference, and to seek any information it requires from staff who are requested to co-operate with the board in the conduct of its inquiries. Safeguarding, medication and health and safety processes are all audited in detail on an annual programme of internal inspection. Requests for work, and reports received, from internal audit will be channelled through the accounting officer, to whom the Head of Internal Audit reports.

# NEW BRIDGE MULTI ACADEMY TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2016**

The Audit Committee is authorised to obtain independent professional advice if it considers this necessary. Members of the audit committee physically audit a number of areas on a termly basis and the committee comprises trustees and local governors. An audit report is produced which is then discussed at committee and submitted to the full trustees board.

Trustee	Meetings attended	Out of a possible
P Palmer, trustee	3	3
M Ramsbottom, responsible officer	3	3
L Hunt, local governor	2	3
J Webber, local governor, safeguarding	3	3

### Review of value for money

As accounting officer the Executive Principal has responsibility for ensuring that the 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 appropriate. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Reviewing the trust's staffing structure in order to achieve more efficiency by ensuring the right staff are in the right place to deliver the curriculum and drive improvements.
- The development of bulk purchasing power across all schools in the group.
- A whole scale review of all cost centres and contracts over the past 12 months, with significant savings identified.
- The expansion of the offer the young people can access to include employment opportunities and appropriate destinations and pathways.
- Successfully submitting bids for grants that achieve huge savings within the budget allocation.

### The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 New Bridge Multi Academy Trust for the period 1st September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

### Capacity to handle risk

The board of Trustees has reviewed the key risks to which the 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 academy trust's significant risks that has been in place for the period 1st September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.



# **NEW BRIDGE MULTI ACADEMY TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2016**

---

### **The risk and control framework**

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

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

The Trustees have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However, a Responsible Officer ('RO') is appointed. The RO's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems with support from the audit committee.

Typically audited areas include, but are not limited to, the testing of:

- purchase systems
- payroll systems
- data security
- levels of authority
- safeguarding systems

On a termly basis, the RO reports to the Trustees on the operation of the systems of control and on the discharge of financial responsibilities.

The Trustees have considered the need for a specific internal audit function and have decided appoint P Palmer as head of internal audit. He leads a trustee audit committee that includes the responsible officer and the team carry out a planned audit of areas across the MAT. They investigate our systems of control and report on the findings around on the discharge of financial responsibilities. The head of internal audit prepares reports based on the committees findings to the accounting officer on a termly basis.

### **Review of effectiveness**

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

- the work of the Responsible Officer and the audit committee;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

# **NEW BRIDGE MULTI ACADEMY TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

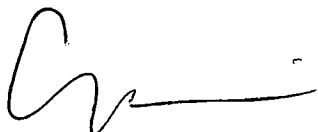
***FOR THE YEAR ENDED 31 AUGUST 2016***

---

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

Approved by order of the board of governors on 16 December 2016 and signed on its behalf by:

G Quinn  
Head Teacher



P Palmer  
Governor



# **NEW BRIDGE MULTI ACADEMY TRUST**

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

***FOR THE YEAR ENDED 31 AUGUST 2016***

---

As accounting officer of New Bridge Multi Academy Trust I have considered my responsibility to notify the multi academy trust board of governors 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 multi academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

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

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



G Quinn  
**Accounting Officer**

16 December 2016

# NEW BRIDGE MULTI ACADEMY TRUST

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

**FOR THE YEAR ENDED 31 AUGUST 2016**

---

The governors (who act as trustees for New Bridge Multi Academy Trust and are also the directors of New Bridge Multi Academy Trust for the purposes of company law) are responsible for preparing the Governors' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the governors are required to:

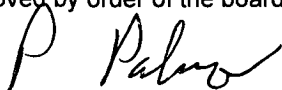
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the board of governors on 16 December 2016 and signed on its behalf by:



P Palmer  
Governor

# **NEW BRIDGE MULTI ACADEMY TRUST**

## **INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF NEW BRIDGE MULTI ACADEMY TRUST**

---

We have audited the accounts of New Bridge Multi Academy Trust for the year ended 31 August 2016 set out on pages 23 to 43. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

### **Respective responsibilities of governors and auditors**

As explained more fully in the Governors' Responsibilities Statement set out on page 18, the governors, who are also the directors of New Bridge Multi Academy Trust for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the accounts in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the accounts**

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

### **Opinion on accounts**

In our opinion the accounts:

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

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

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

## **NEW BRIDGE MULTI ACADEMY TRUST**

### **INDEPENDENT AUDITOR'S REPORT ON THE ACCOUNTS TO THE MEMBERS OF NEW BRIDGE MULTI ACADEMY TRUST (CONTINUED)**

---

#### **Matters on which we are required to report by exception**

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

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



**Mark Robertson (Senior Statutory Auditor)**  
**for and on behalf of UHY Hacker Young Manchester LLP**

**Chartered Accountants**  
**Statutory Auditor**  
St James Building  
79 Oxford Street  
Manchester  
M1 6HT

Dated: 16 December 2016

# **NEW BRIDGE MULTI ACADEMY TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NEW BRIDGE MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

---

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

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

### **Respective responsibilities of New Bridge Multi Academy Trust's accounting officer and the reporting accountant**

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

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

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by 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 multi academy trust's income and expenditure.

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants In England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to be able to report on whether anything has come to our attention which suggests that in all material respects expenditure disbursed and income received have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them. Other than those procedures undertaken for the purposes of our audit of the financial statements of New Bridge Multi Academy Trust for the year ended 31 August 2016 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

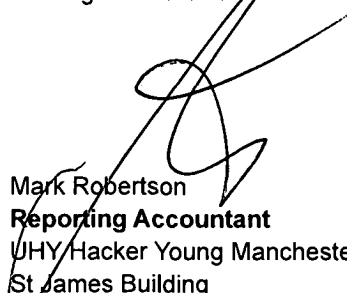
# NEW BRIDGE MULTI ACADEMY TRUST

## INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NEW BRIDGE MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (CONTINUED)

---

### Conclusion

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



Mark Robertson  
**Reporting Accountant**  
UHY Hacker Young Manchester LLP  
St James Building  
79 Oxford Street  
Manchester  
M1 6HT

Dated: 16 December 2016



# NEW BRIDGE MULTI ACADEMY TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £	Total 2015 £
<b>Income and endowments from:</b>						
Donations and capital grants	2	47,832	11,826	252,832	312,490	6,546,895
Charitable activities:						
- Funding for educational operations	5	3,568	8,508,190	-	8,511,758	6,653,176
Other trading activities	3	134,527	41,411	-	175,938	129,016
Investments	4	952	-	-	952	640
<b>Total income and endowments</b>		<b>186,879</b>	<b>8,561,427</b>	<b>252,832</b>	<b>9,001,138</b>	<b>13,329,727</b>
<b>Expenditure on:</b>						
Charitable activities:						
- Educational operations	7	167,982	8,121,482	1,132,247	9,421,711	7,471,136
<b>Total expenditure</b>	6	<b>167,982</b>	<b>8,121,482</b>	<b>1,132,247</b>	<b>9,421,711</b>	<b>7,471,136</b>
<b>Net income/(expenditure)</b>		<b>18,897</b>	<b>439,945</b>	<b>(879,415)</b>	<b>(420,573)</b>	<b>5,858,591</b>
Transfers between funds		97,610	(331,150)	233,540	-	-
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension schemes	17	-	(2,040,000)	-	(2,040,000)	(62,000)
<b>Net movement in funds</b>		<b>116,507</b>	<b>(1,931,205)</b>	<b>(645,875)</b>	<b>(2,460,573)</b>	<b>5,796,591</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		108,651	(1,968,000)	18,763,902	16,904,553	11,107,961
Total funds carried forward		225,158	(3,899,205)	18,118,027	14,443,980	16,904,552

# NEW BRIDGE MULTI ACADEMY TRUST

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

FOR THE YEAR ENDED 31 AUGUST 2016

Comparative year information Year ended 31 August 2015	Notes	Unrestricted Funds £	General	Restricted funds: Fixed asset £	Total 2015 £
<b>Income and endowments from:</b>					
Donations and capital grants	2	9,170	42,000	6,495,725	6,546,895
Charitable activities:					
- Funding for educational operations	5	-	6,653,176	-	6,653,176
Other trading activities	3	116,781	12,235	-	129,016
Investments	4	640	-	-	640
<b>Total income and endowments</b>		<b>126,591</b>	<b>6,707,411</b>	<b>6,495,725</b>	<b>13,329,727</b>
<b>Expenditure on:</b>					
Charitable activities:					
- Educational operations	7	276,661	6,500,624	693,851	7,471,136
<b>Total expenditure</b>	6	<b>276,661</b>	<b>6,500,624</b>	<b>693,851</b>	<b>7,471,136</b>
<b>Net income/(expenditure)</b>		<b>(150,070)</b>	<b>206,787</b>	<b>5,801,874</b>	<b>5,858,591</b>
Transfers between funds		136,043	(301,787)	165,744	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	17	-	(62,000)	-	(62,000)
<b>Net movement in funds</b>		<b>(14,027)</b>	<b>(157,000)</b>	<b>5,967,618</b>	<b>5,796,591</b>
<b>Reconciliation of funds</b>					
Total funds brought forward		122,678	(1,811,000)	12,796,283	11,107,961
Total funds carried forward		108,651	(1,968,000)	18,763,901	16,904,552

# NEW BRIDGE MULTI ACADEMY TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2016

	Notes	2016 £	2015 £
<b>Fixed assets</b>			
Tangible assets	11	18,118,027	18,890,079
<b>Current assets</b>			
Debtors	12	104,325	136,992
Cash at bank and in hand		1,564,299	836,471
		<u>1,668,624</u>	<u>973,463</u>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	13	<u>(1,065,671)</u>	<u>(990,990)</u>
<b>Net current liabilities</b>		602,953	(17,527)
<b>Net assets excluding pension liability</b>		<u>18,720,980</u>	<u>18,872,552</u>
Defined benefit pension liability	17	<u>(4,277,000)</u>	<u>(1,968,000)</u>
<b>Net assets</b>		<u>14,443,980</u>	<u>16,904,552</u>
<b>Funds of the multi academy trust:</b>			
<b>Restricted funds</b>	15		
- Fixed asset funds		18,118,027	18,763,901
- Restricted income funds		377,795	-
- Pension reserve		<u>(4,277,000)</u>	<u>(1,968,000)</u>
<b>Total restricted funds</b>		<u>14,218,822</u>	<u>16,795,901</u>
<b>Unrestricted income funds</b>	15	<u>225,158</u>	<u>108,651</u>
<b>Total funds</b>		<u>14,443,980</u>	<u>16,904,552</u>

The accounts set out on pages 23 to 43 were approved by the board of governors and authorised for issue on 16 December 2016 and are signed on its behalf by:



P Palmer  
Governor

Company Number 08131158

# NEW BRIDGE MULTI ACADEMY TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £	£	2015 £	£
<b>Cash flows from operating activities</b>					
Net cash provided by operating activities	18		834,238		664,294
<b>Cash flows from investing activities</b>					
Interest received		952		640	
Capital grants from DfE and EFA		252,832		-	
Payments to acquire tangible fixed assets		(360,195)		(292,265)	
Proceeds from sales of tangible fixed assets		-		350	
			(106,411)		(291,275)
<b>Change in cash and cash equivalents in the reporting period</b>			727,828		373,019
Cash and cash equivalents at 1 September 2015			836,471		463,452
<b>Cash and cash equivalents at 31 August 2016</b>			<u>1,564,299</u>		<u>836,471</u>

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

---

### 1 Accounting policies

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

#### 1.1 Basis of preparation

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

New Bridge Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

These accounts for the year ended 31 August 2016 are the first accounts of New Bridge Multi Academy Trust prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

#### 1.2 Going concern

The Governors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. The Governors make this assessment in respect of a period of one year from the date of approval of the financial statements. After making appropriate enquiries, the governing body has a reasonable expectation that the 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.

#### 1.3 Income

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

##### Grants receivable

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of 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 statement of financial activities in the period for which it is receivable, and any abatement in respect of the period is deducted from income and recognised as a liability.

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

##### Sponsorship income

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

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

---

### 1 Accounting policies

(Continued)

#### Donations

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

#### Other income

Other income, including the hire of facilities, catering income, school club income and trip income 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.

#### Donated goods, facilities and services

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

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

### 1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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

#### Charitable activities

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

#### Governance costs

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

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 1 Accounting policies

(Continued)

#### 1.5 Tangible fixed assets and depreciation

All assets costing more than £250 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and 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 multi academy trust's depreciation policy.

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

Long Leasehold Property*	8 - 45 years straight line
Property improvements	30 and 45 years straight line
Computer equipment	3 years straight line
Fixtures, fittings & equipment	25% reducing balance
Motor vehicles	25% reducing balance

\*Long Leasehold Property is depreciated over the useful economic life of each component as stated in the professional valuation. Components include the building structure, internal fittings, internal services, roof and externals.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the statement of financial activities.

#### 1.6 Liabilities

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

#### 1.7 Leasing and hire purchase commitments

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

#### 1.8 Taxation

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

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

---

### 1 Accounting policies

(Continued)

#### 1.9 Pensions benefits

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the multi academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 17, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

#### 1.10 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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.

Restricted pension funds represent the Local Government Pension Scheme deficit inherited on conversion.

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

#### 1.11 Branch

New Bridge Fund, a registered charity, was set up to fundraise for New Bridge School. The charity is controlled by the Academy. It is considered to be a branch of the Academy, and its figures have therefore been incorporated into the accounts of New Bridge School from the date of conversion.

#### 1.12 Critical accounting estimates and areas of judgement

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



# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 1 Accounting policies

(Continued)

#### Critical accounting estimates and assumptions

The academy makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Critical areas of judgement

##### Local Government Pension Scheme

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

### 2 Donations and capital grants

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Capital grants	-	252,832	252,832	6,495,725
Other donations	47,832	11,826	59,658	51,170
	<u>47,832</u>	<u>264,658</u>	<u>312,490</u>	<u>6,546,895</u>

### 3 Other trading activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Hire of facilities	45,678	-	45,678	48,110
Catering income	54,958	-	54,958	44,656
School trips	-	14,723	14,723	12,097
Other income	33,891	26,688	60,579	24,153
	<u>134,527</u>	<u>41,411</u>	<u>175,938</u>	<u>129,016</u>

### 4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Other investment income	952	-	952	640
	<u>952</u>	<u>-</u>	<u>952</u>	<u>640</u>

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 5 Funding for the multi academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
<b>DfE / EFA grants</b>				
General annual grant (GAG)	-	3,930,622	3,930,622	3,316,235
Other DfE / EFA grants	-	210,259	210,259	198,643
	-	4,140,881	4,140,881	3,514,878
<b>Other government grants</b>				
Local authority grants	-	4,367,259	4,367,259	3,047,705
<b>Other funds</b>				
Other incoming resources	3,568	50	3,618	90,593
<b>Total funding</b>	3,568	8,508,190	8,511,758	6,653,176

### 6 Expenditure

	Staff costs £	Premises & equipment £	Other costs £	Total 2016 £	Total 2015 £
<b>Academy's educational operations</b>					
- Direct costs	5,228,929	1,005,055	329,468	6,563,452	5,391,132
- Allocated support costs	1,586,073	338,402	933,784	2,858,259	2,080,004
	6,815,002	1,343,457	1,263,252	9,421,711	7,471,136
<b>Total expenditure</b>	6,815,002	1,343,457	1,263,252	9,421,711	7,471,136

#### Net income/(expenditure) for the year includes:

	2016 £	2015 £
Fees payable to auditor for:		
- Audit	10,750	7,750
- Other services	33,253	22,262
Operating lease rentals	22,174	31,423
Depreciation of tangible fixed assets	1,132,247	691,747
Gain/(loss) on disposal of fixed assets	-	2,104

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 6 Expenditure

(Continued)

#### Central services

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

- Human Resources
- Financial Services
- Staff Absence Cover Services
- Premises Service
- ICT Technical Support
- Holiday Club Co-ordination
- Senior Leader Support

The multi academy trust charges for these services on an amount per pupil basis.

The amounts charged during the year were as follows:

	Total £
New Bridge School	607,482
Hollinwood Academy	177,109
	<u>784,591</u>

### 7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2016 £	Total 2015 £
Direct costs - educational operations	15,415	6,548,037	6,563,452	5,391,132
Support costs - educational operations	152,567	2,705,692	2,858,259	2,080,004
	<u>167,982</u>	<u>9,253,729</u>	<u>9,421,711</u>	<u>7,471,136</u>
			<b>2016 £</b>	<b>2015 £</b>
<b>Analysis of support costs</b>				
Support staff costs			1,586,073	1,066,898
Depreciation and amortisation			127,192	83,540
Technology costs			41,900	25,203
Premises costs			467,067	297,499
Other support costs			367,666	392,421
Governance costs			268,361	214,443
			<u>2,858,259</u>	<u>2,080,004</u>

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 8 Staff costs

	2016 £	2015 £
Wages and salaries	4,142,449	4,325,634
Social security costs	428,913	311,643
Operating costs of defined benefit pension schemes	1,429,347	1,115,519
Staff costs	6,000,709	5,752,796
Staff development and other staff costs	814,293	479,516
Total staff expenditure	6,815,002	6,232,312

### Staff numbers

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

	2016 Number	2015 Number
Teachers	177	151
Administration and support	87	71
Management	15	13
	279	235

### Higher paid staff

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

	2016 Number	2015 Number
In the band £60,001 - £70,000	2	1
In the band £90,001 - £100,000	1	-

### Key management personnel

The key management personnel of the multi academy trust comprise the governors and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the multi academy trust was £956,017 (2015: £871,361).

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

#### 9 Governors' remuneration and expenses

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

The value of governors' remuneration was as follows:

G Quinn (Principal and Governor)	-	£90,000 - £95,000	(2015: £105,000 - £110,000)
C Kindon (Staff Governor)	-	£25,000 - £30,000	(2015: £25,000 - £30,000)
C Watson (Staff Governor)	-	£20,000 - £25,000	(2015: £25,000 - £30,000)

The value of governors' employers pension contributions was as follows:

G Quinn (Principal and Governor)	-	£15,000 - £20,000	(2015: £15,000 - £20,000)
C Kindon (Staff Governor)	-	£0 - £5,000	(2015: £0 - £5,000)
C Watson (Staff Governor)	-	£0 - £5,000	(2015: £0 - £5,000)

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

#### 10 Governors and officers insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect Governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim. The cost for the year ended 31 August 2016 could not be split out as it was part of a combined insurance policy.

#### 11 Tangible fixed assets

	Long Leasehold Property £	Leasehold improve- ments £	Computer equipment £	Fixtures, fittings & equipment £	Motor vehicles £	Total £
<b>Cost</b>						
At 1 September 2015	20,112,116	299,368	247,759	177,191	42,633	20,879,067
Additions	-	144,007	146,382	69,806	-	360,195
At 31 August 2016	20,112,116	443,375	394,141	246,997	42,633	21,239,262
<b>Depreciation</b>						
At 1 September 2015	1,813,752	5,817	135,986	9,449	23,984	1,988,988
Charge for the year	984,006	8,909	85,666	49,003	4,663	1,132,247
At 31 August 2016	2,797,758	14,726	221,652	58,452	28,647	3,121,235
<b>Net book value</b>						
At 31 August 2016	17,314,358	428,649	172,489	188,545	13,986	18,118,027
At 31 August 2015	18,298,364	293,551	111,773	167,742	18,649	18,890,079

Included within property improvement additions is £59,072 (2015: £nil) of assets under construction in relation to the roof replacement at New Bridge School. Assets under construction are not depreciated.

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

<b>12 Debtors</b>	<b>2016 £</b>	<b>2015 £</b>
Trade debtors	27,847	2,902
VAT recoverable	48,378	55,885
Other debtors	1,629	9,257
Prepayments and accrued income	26,471	68,948
	<u>104,325</u>	<u>136,992</u>
<b>13 Creditors: amounts falling due within one year</b>	<b>2016 £</b>	<b>2015 £</b>
Trade creditors	188,087	202,472
Other taxation and social security	133,431	103,201
Other creditors	163,630	88,834
Accruals and deferred income	580,523	596,483
	<u>1,065,671</u>	<u>990,990</u>
<b>14 Deferred income</b>	<b>2016 £</b>	<b>2015 £</b>
Deferred income is included within:		
Creditors due within one year	<u>429,108</u>	<u>404,237</u>
Deferred income at 1 September 2015	404,237	238,447
Released from previous years	(404,237)	(238,447)
Amounts deferred in the year	<u>429,108</u>	<u>404,237</u>
<b>Deferred income at 31 August 2016</b>	<u>429,108</u>	<u>404,237</u>

Included within deferred income are General Annual Grants received in advance for September 2016.

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 15 Funds

	Balance at 1 September 2015	Incoming resources	Resources expended	Gains, losses & transfers	Balance at 31 August 2016
	£	£	£	£	£
<b>Restricted general funds</b>					
General Annual Grant	-	3,930,622	(7,805,931)	4,253,104	377,795
Other DfE / EFA grants	-	210,259	-	(210,259)	-
Other government grants	-	4,367,259	-	(4,367,259)	-
Other restricted funds	-	53,287	(46,551)	(6,736)	-
Funds excluding pensions	-	8,561,427	(7,852,482)	(331,150)	377,795
Pension reserve	(1,968,000)	-	(269,000)	(2,040,000)	(4,277,000)
	(1,968,000)	8,561,427	(8,121,482)	(2,371,150)	(3,899,205)
<b>Restricted fixed asset funds</b>					
DfE / EFA capital grants	18,763,902	252,832	(1,132,247)	233,540	18,118,027
<b>Total restricted funds</b>	<b>16,795,902</b>	<b>8,814,259</b>	<b>(9,253,729)</b>	<b>(2,137,610)</b>	<b>14,218,822</b>
<b>Unrestricted funds</b>					
General funds	108,651	186,879	(167,562)	97,610	225,578
Other funds	-	-	(420)	-	(420)
	108,651	186,879	(167,982)	97,610	225,158
<b>Total funds</b>	<b>16,904,553</b>	<b>9,001,138</b>	<b>(9,421,711)</b>	<b>(2,040,000)</b>	<b>14,443,980</b>

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

(i) General Annual Grant (GAG) must be used for the normal running costs of the academy.

(ii) The other DfE/EFA grants fund is used to track grants provided by local and central government departments.

(iii) The other restricted funds tracks grants, donations and other income arising from sources other than grants provided by central and local government departments.

(iv) The pensions reserve is a restricted fund to account for the liability arising under the Local Government Pension Scheme.

(v) The restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward as well as the current fixed assets held.

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

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 15 Funds (Continued)

#### Total funds analysis by academy

	Total £
Fund balances at 31 August 2016 were allocated as follows:	
New Bridge School	150,955
Hollinwood Academy	74,203
	<hr/>
Total before fixed assets fund and pension reserve	225,158
Restricted fixed asset fund	18,118,027
Funds excluding pensions	377,795
Pension reserve	(4,277,000)
	<hr/>
Total funds	<u>14,443,980</u>

#### Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
New Bridge School	4,277,277	1,304,243	1,015,149	188,739	6,785,408
Hollinwood Academy	456,373	132,457	126,162	4,473	719,465
Central services	495,279	149,373	121,941	17,998	784,591
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	5,228,929	1,586,073	1,263,252	211,210	8,289,464
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

### 16 Analysis of net assets between funds

	Unrestricted Funds £	Restricted funds: General £	Fixed asset £	Total 2016 £
Fund balances at 31 August 2016 are represented by:				
Tangible fixed assets	-	-	18,118,027	18,118,027
Current assets	1,668,624	-	-	1,668,624
Creditors falling due within one year	(1,443,466)	377,795	-	(1,065,671)
Defined benefit pension liability	-	(4,277,000)	-	(4,277,000)
	<hr/>	<hr/>	<hr/>	<hr/>
	225,158	(3,899,205)	18,118,027	14,443,980
	<hr/>	<hr/>	<hr/>	<hr/>



# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

---

#### 17 Pensions and similar obligations

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

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

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

#### Teachers' Pension Scheme

##### Introduction

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

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

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

The pension costs paid to the TPS in the period amounted to £627,940 (2015: £514,537).

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

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 17 Pensions and similar obligations

(Continued)

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 13% for employers and % 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.

Total contributions made	2016 £	2015 £
Employer's contributions	475,000	367,000
Employees' contributions	153,000	125,000
Total contributions	628,000	492,000

Principal actuarial assumptions	2016 %	2015 %
Rate of increases in salaries	3.40	3.90
Rate of increase for pensions in payment	2.10	2.70
Discount rate	2.10	3.80
Inflation assumption (CPI)	2.10	2.60
Expected return on scheme assets at 31 August	2.10	3.80

Sensitivity analysis	Approximate % increase to Employer Liability	Approximate monetary amount
	%	£
0.5% decrease in Real Discount Rate	16	1,570,000
1 year increase in member life expectancy	3	303,000
0.5% increase in the Salary Increase Rate	6	567,000
0.5% increase in the Pension Increase Rate	9	952,000

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 17 Pensions and similar obligations

(Continued)

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

	2016 Years	2015 Years
Retiring today		
- Males	21.4	21.4
- Females	24.0	24.0
Retiring in 20 years		
- Males	24.0	24.0
- Females	26.6	26.6

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

	2016 Fair value £	2015 Fair value £
Equities	4,366,000	3,210,000
Bonds	1,031,000	802,000
Cash	303,000	178,000
Property	364,000	267,000
Total market value of assets	6,064,000	4,457,000

Actual return on scheme assets - gain/(loss)	960,000	142,000
--	---------	---------

#### Amounts recognised in the statement of financial activities

	2016 £	2015 £
Current service cost (net of employee contributions)	665,000	473,000
Net interest cost	79,000	(11,000)

#### Changes in the present value of defined benefit obligations

	2016 £
Obligations at 1 September 2015	6,476,000
Current service cost	633,000
Interest cost	261,000
Employee contributions	153,000
Actuarial loss	2,818,000
At 31 August 2016	10,341,000

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 17 Pensions and similar obligations

(Continued)

Changes in the fair value of the multi academy trust's share of scheme assets	2016 £
Assets at 1 September 2015	4,476,000
Interest income	182,000
Return on plan assets (excluding amounts included in net interest):	
Actuarial gain	778,000
Employer contributions	475,000
Employee contributions	153,000
At 31 August 2016	<u>6,064,000</u>

The estimated value of employer contributions for the year ended 31 August 2017 is £476,000.

### 18 Reconciliation of net income/(expenditure) to net cash flows from operating activities

	2016 £	2015 £
Net income/(expenditure) for the reporting period	(420,573)	5,858,591
Adjusted for:		
Capital grants from DfE/EFA and other capital income	(252,832)	(6,495,725)
Investment income	(952)	(640)
Defined benefit pension costs less contributions payable	190,000	106,000
Defined benefit pension net finance cost/(income)	79,000	(11,000)
Depreciation of tangible fixed assets	1,132,247	691,747
Losses/(profits) on disposals of fixed assets	-	2,104
(Increase)/decrease in debtors	32,667	35,546
Increase/(decrease) in creditors	74,681	477,671
Net cash provided by operating activities	<u>834,238</u>	<u>664,294</u>

### 19 Major non-cash transactions

During the year tangible fixed assets of £Nil (2015: £6,495,725) were donated to the Multi Academy Trust.

# NEW BRIDGE MULTI ACADEMY TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 20 Commitments under operating leases

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

	2016 £	2015 £
Amounts due within one year	22,036	24,255
Amounts due in two and five years	53,831	75,866
	<u>75,867</u>	<u>100,121</u>

### 21 Related party transactions

Owing to the nature of the multi academy trust's operations and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which governors have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the multi academy trust's financial regulations and normal procurement procedures.

The company is related to New Bridge Horizons by virtue of common directorships. During the year New Bridge Horizons paid £379,185 (2015: £330,471) for services from New Bridge Multi Academy Trust. New Bridge Horizons donated it's £40,963 (2015: £Nil) year end surplus to New Bridge School. As at the year end New Bridge Multi Academy Trust owed New Bridge Horizons Limited £56,436 (2015: Debtor of £7,137).

### 22 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 £1, for the debts and liabilities contracted before they ceased to be a member.

### 23 Post balance sheet events

On 1 December 2016 the Trust acquired Spring Brook Academy, a special school for 4 – 16 year olds with SEMH (social, emotional, mental health) needs.