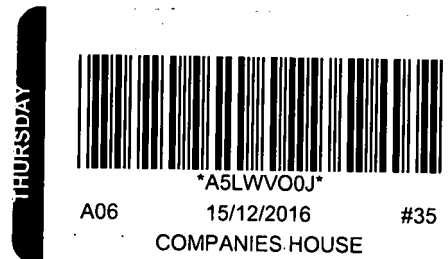


Company Limited by Guarantee
Registration number: 08142572 (England and Wales)

**NEWBURY ACADEMY TRUST
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**



NEWBURY ACADEMY TRUST
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NEWBURY ACADEMY TRUST
REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2016

Company Registration Number	08142572
Trustees and Members	Mrs S Loy Mr N Cornish Mr P G Dick Mrs L Ellis (Appointed Jul 2016)
Directors	Mrs S Loy (Chair) Mrs K Adams (Appointed Dec 2015) Mrs N Awbery Mr E Collett (Appointed Dec 2015) Mr N Cornish Mrs A Creed Mr P G Dick (Resigned Dec 2015) Mrs L Dove Mrs L Lewis (Appointed Feb 2016) Mrs C Rees (Appointed Dec 2015. Resigned Aug 2016) Mr J Rigby Mr G Whiteford (Appointed Dec 2015) Mrs C Wilson
Local Governing Body - Trinity	Mrs S Loy (Chair) Mr N Cornish (Resigned Dec 2015) Mr E Collett Mrs A Creed (Resigned Dec 2015) Ms Z Golding (Appointed Feb 2016) Mr F Hayton (Appointed Jan 2016) Mrs P Hoskins (Appointed Nov 2015) Mrs L Lewis Mrs C Rees (Resigned Aug 2016) Mrs C Wilson
Local Governing Body – Fir Tree	Mr N Awbery (Chair) Mrs K Adams Mrs K Dougal Mrs L Dove Mrs K Reed (Appointed Jan 2016) Mr G Whiteford Mrs C Wilson
Company Secretary	Mrs S Pryor (Resigned December 2016)
Senior Leadership Team	Nick Awbery – Deputy Headteacher (Trinity) Jon Bastable – Assistant Headteacher (Trinity) Graham Davis – Deputy Headteacher (Trinity) Laura Dove – Associate Headteacher (Fir Tree) Brenda Hanlon – Deputy Headteacher (Trinity) Clare Hayter – Assistant Headteacher (Fir Tree) Fran Pearless – Assistant Headteacher (Trinity) Natasha Purcell – Deputy Headteacher (Trinity) Darren Stillman – Assistant Headteacher (Trinity) Rhodri Watkins – Assistant Headteacher (Trinity) Charlotte Wilson – Executive Headteacher (Trinity)

NEWBURY ACADEMY TRUST
REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 AUGUST 2016

Registered Office

Newbury Academy Trust
Trinity School
Love Lane
Shaw
Newbury
Berkshire
RG14 2DU

Auditors

Crowe Clark Whitehill LLP
Aquis House
49-51 Blagrove Street
Reading
Berkshire

Bankers

HSBC Bank Plc
6 Northbrook Street
Newbury
RG14 1 DJ

NEWBURY ACADEMY TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2016

The members of the Newbury Academy Trust Governing Body present their Annual Report for the year ended 31 August 2016 under the Charities Act 2011 and the Companies Act 2006, thus including the Directors' Report and Strategic Report under the 2006 Act, together with the audited financial statements for the year.

The financial statements have been prepared in accordance with the accounting policies on pages 30-34 of the financial statements, and comply with the Company's Memorandum and Articles of Association, the Companies Act 2006, and the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities," (SORP 2005), and the Academies Accounts Direction (May 2013).

Newbury Academy Trust is an academy for pupils aged 4 to 18 serving a catchment area in Newbury

Structure, Governance and Management

Constitution

Newbury Academy Trust (NAT) is a company limited by guarantee and is an exempt charity. The Charitable Company's Memorandum and Articles of Association and Funding Agreement are the primary governing documents of the Academy Trust. The Charitable Company was incorporated on 13th July 2012 and NAT converted to an Academy on 1st August 2012.

There are three trustees who act as Directors of the Charitable Company for the purposes of Company law. There are five further Directors of the Trust. The Charitable Company is incorporated as Newbury Academy Trust.

Details of the trustees and directors who served Newbury Academy Trust throughout 2015/16 are included in the Reference and Administrative Details on page 1.

Members' Liability

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

Trustees ('Directors') Indemnities

As disclosed in note 11, professional indemnity insurance is paid on behalf of the directors of the Academy.

Method of Recruitment and Appointment or Election of Trustees/ Directors

The Academy's Board of Directors is subject to retirement by rotation. Directors are eligible for re-election at the meeting at which they retire. The directors to retire are those who have served the longest in office since their appointment or re-election. New directors are recruited in accordance with the Articles of Association and 'A Guide to the Law for School Governors.' The term of office for any director is 4 years, although this time limit does not apply to the Headteacher.

The Board of Directors who were in office on 31 August 2016 and served since 1st September 2015, the period of these accounts, are listed on Page 1.

NEWBURY ACADEMY TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2016

Policies and Procedures Adopted for the Induction and Training of Governors

The Trust is a member of the National Governors Association, receiving up to date information and guidance. It buys into West Berkshire Council Governor Support services as and when required. Additional training from other providers is also accessed as required based on individual or collective need. External advice and support is commissioned where necessary.

Principal Activities

Newbury Academy Trust is a Trust incorporating two schools: Trinity School, a Converter Academy and Fir Tree School, a Sponsored Academy. Trinity School is an 11-18 Comprehensive School graded Good by Ofsted in 2014. Fir Tree is a Primary School and Nursery located on a separate site it was graded Good by Ofsted in September 2014. We are committed to improving the life chances of everyone in our community, preparing them for adult life and demanding that they be the very best they can be.

The object of Newbury Academy Trust is set out in the Company's Articles of Association, namely "to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining and carrying on, managing and developing a school offering a broad and balanced curriculum".

Objects and Aims of the Trust

As described, the object of Newbury Academy Trust is set out in the Company's Articles of Association.

Each Governing Body continues to set the Schools' strategic aims through the School Development Plans. These aims are monitored closely by the Directors/Trustees Board by way of Executive Headteacher and Senior Leadership Team Reports and through the work of the Local Governing Bodies and sub committees.

The aims and objectives for the Trust are derived from the Trust's motto which is 'Inspiring Futures, Realising Ambitions'

Organisation Structure

The structure of the Trust consists of four senior levels: the Members, the Board of Directors/Trustees, Local Governing Bodies for each individual school, the Headteacher of Trinity, who is the Executive Headteacher over the Trust, an additional Headteacher at Fir Tree and the broader Senior Leadership Team in each school. An aim of this management structure is to distribute responsibility and accountability and to encourage involvement in the decision making process at all levels.

The Members and Board of Directors/Trustees are responsible for setting the NAT policies, adopting the budgets and monitoring performance. The Local Governing Bodies are responsible for individual school policies adopting the School Development Plans, setting and monitoring the budgets against these plans. The Local Governing Bodies make major decisions about the direction of the Schools including the curriculum, the achievement and welfare of students, and staffing.

The Executive Headteacher and Senior Leadership Teams control the Schools at an executive level, implementing the policies set by the NAT and the Governing Bodies and reporting back to them.

NEWBURY ACADEMY TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2016

Organisation Structure (continued)

Each School's Local Governing Body has its own terms of reference detailing the responsibilities discharged to the LGB, to the Executive Headteacher (The Accounting Officer) and to the Senior Management Teams. The terms of reference and meeting frequency is reviewed and approved by the Board of Directors/Trustees annually.

There is also a Finance and Staffing sub-committee of the Newbury Academy Trust.

Groups of directors or governors may be formally organised outside of the sub-committee structure to support the School as required, to consider:

- Headteacher recruitment.
- Performance management of the Headteacher of Trinity School
- Pupil Discipline
- Staff Discipline
- Complaints

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Pay and remuneration of key management personnel is determined by a variety of contributory factors, such as, the school group size, Internal Schools Review, the pay scales for each role e.g. Headteacher, Deputy Headteacher, and the level of experience of the staff member. In addition to this, levels of pay may be affected by any nationally agreed pay awards, the ability to recruit key management personnel and retain them in post, which all coincides with the schools appointment and pay policies. All amendments to key management personnel's pay and remuneration is discussed and agreed by the Board of Directors/Trustees.

Risk Management

The Board of Directors/Trustees has considered the major risks to which it is exposed, in particular those relating to governance, finance, insurance, attainment, attendance, behaviour, health and safety, organisation, operations, safeguarding, reputation, HR and ICT.

The Board of Directors/Trustees have implemented a number of systems to assess and reduce risks that the academies face, especially in operational areas in relation to teaching, health and safety (including school trips and the school's minibus), behaviour management, and in relation to the control of finances. They have introduced policies and systems for the recruitment, selection and vetting of new staff, continual professional development of staff, child protection, supervision of students around the school site and internal financial controls to minimise financial risk. Adequate insurance is in place where significant financial risk remains.

The main risks facing the NAT at present as outlined in the September update of our Risk Register are as follows:

- A significant change in the DFE funding policy – Our response is to review EFA updates and bulletins and these are incorporated and reported on within budget monitoring updates.
- The academy fails to attract, recruit, or retain the appropriate quality, or level of staffing - Our response is to ensure timely advertising, marketing the school to potential candidates. Ensuring a quality CPD programme is in place. Growing the School Direct programme to recruit trainees and 'grow our own' staff.

NEWBURY ACADEMY TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2016

STRATEGIC REPORT

Mission Statement

The Trust's mission is to provide education and experiences to enable children and students to be the very best they can be and prepare them for successful futures.

Strategies to Achieve the Primary Objectives

Each school has a School Development Plan (SDP) that is a result of staff, student and parent review. Both schools have the same 3 year framework (Year 3 of 3) which is as follows:

Aim	Objective
Every learner an outstanding learner	Secure excellent quality outcomes for all students
	Encourage students to have high aspirations and clear plans post Trinity
	Secure excellent behaviour for learning within and beyond the school
	Independent learning further improved within and beyond school
	Ensure a smooth transition to the new SEND code of practice to secure excellent outcomes for all
Every teacher an outstanding teacher	Provide regular and effective staff training and provide a successful and comprehensive teacher training programme
	Ensure all staff are confident in developing students' literacy skills
	Staff use ICT to support and enhance learning
Every student feels valued and supported within their learning environment	Increased parental engagement, cooperation and support
	Develop a proactive and effective student voice
	Ensure secure and effective transitions at different key stages
Every opportunity taken to develop excellence	Increase the number of students regularly taking part in extra-curricular activities and representing the school
	To develop an excellent learning environment and site
	To work with Governors to develop a robust and effective Self Evaluation programme

NEWBURY ACADEMY TRUST

REPORT OF THE GOVERNORS

FOR THE YEAR ENDED 31 AUGUST 2016

Achievements and Performance

Newbury Academy Trust was legally formed on midnight of the 13th July 2012. The following provides a summary of each school's performance in the Summer 2016 examination season and highlights the achievements of the Academic Year 2015-16.

The Trust is part of the Schools Direct Programme, working in partnership with Reading University to train teachers on a one year course.

Trinity School

As described, the School was rated as Good by Ofsted in January 2014.

There were 919 students on roll, (including 112 in the sixth form), on 31st August 2016. The roll is increasing as Trinity is becoming the school of choice for families in the catchment.

The school was awarded the anti-bullying accreditation in 2012.

The school works with a core group of feeder primary schools as part of the Excel group to enhance provision and provide a range of opportunities for all young people in the community including Music, Dance, Drama and PE provision.

The school partakes in a wide range of external events and enjoys success particularly in the areas of Public Speaking, Enterprise and Dance.

GCSE Results

2.2a GCSE

Year 11:	2015	2016
% of students achieving a good pass in English and maths	55%	51%
Attainment – average points score in English	- 39.7	-38.1
Attainment – average points score in mathematics	-37.7	-37.1
Average Attainment 8 score	-	4.8 (C-)
Progress 8 score	-	0.12
Progress 8 score – English	77% (3LP)	0.29
Progress 8 score - Maths	69% (3LP)	0.10

2.2b A Level

Grades	Number	%	Cumulative %	2015	2014	2013
A*	24	14.9	14.9	16.9	14.6	17.8
A	42	26.1	41.0	25.6	35.8	29.5
B	38	23.6	64.6	43.8	52.3	53.5
C	38	23.6	88.2	68.8	75.5	79.1
D	9	5.6	93.8	82.5	85.4	92.2
E	9	5.6	99.4	96.9	100.0	100.0
U	1	0.6	100.0	100.0	100.0	100.0
Entries	161			160	151	124
ALPS	3			8	4	6

**NEWBURY ACADEMY TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2016**

Attendance

Our attendance continues to be outstanding, with an achievement of 95.7 against a target of 95%. The school's attendance officer works very closely with the Pastoral Deputy, the EWO, the Heads of House, SENCO and tutors to achieve the highest possible levels of attendance.

Fir Tree School

As described, the School was rated as Good by Ofsted in September 2014.

There were 217 students on roll, with waiting lists for numerous year groups (31st August 2016). The roll is increasing as Fir Tree is becoming the school of choice for families in the catchment.

The school works closely with Trinity to enhance provision and provide a range of opportunities for the children including music, dance, drama and PE provision.

The school partakes in a wide range of external events and is developing its reputation for high quality outcomes in the local community.

NEWBURY ACADEMY TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2016

Key Performance Indicators

2.1a Year 6

Attainment	Fir Tree	National	LA – West Berks	Pupil Premium excl SEN (6 children)	Pupil Premium (7 children)	Whole cohort excl Pupil Premium (13 chn)
Reading	70%	66%	69.6%	83.3%	71.4%	69.2%
Writing	75%	74%	69.8%	83.3%	85.7%	69.2%
Maths	55%	70%	69.1%	33.3%	28.6%	69.2%
RWM combined	55%	53%	54.9%	33.3%	28.6%	69.2%
SPAG	80%	72%	71.2%	83.3%	71.4%	92.3%

Progress Measures	Fir Tree	DfE Floor Targets	LA – West Berks	LA Position (58 schools)
Reading	3.9	-5	-0.2	4 th
Writing	1.8	-7	-1.7	4 th
Maths	-0.8	-5	-1.1	26 th

2.1b Year 2

Whole class – 30 children. 1 child did not participate as he is moving to the Castle school.	Fir Tree	National	LA – West Berks	Pupil Premium excl SEN (6 chn)	Pupil Premium (9 chn)	Whole cohort excl Pupil Premium (21 chn)
Reading	83.3%	74.1%	75%	83.3%	60%	90.4%
Writing	70%	65.5%	64.8%	66.7%	40%	85.7%
Maths	83.3%	72.7%	72.3%	100%	60%	95.2%
RWM combined	70%	60.3%	59.3%	66.7%	40%	81.0%
SPAG	Cancelled					

2.1c Year 1 and 2 Phonics Screening

Year 1 pass 2016		Year 2 retake pass 2016	
78.6%		85.7%	
Year 1 pass 2015		Year 2 retake pass 2015	
83.3%		100%	
Pupil Premium 2016 (5 chn)	Pupil Premium excl SEN 2016 (3 chn)	Whole cohort excl Pupil Premium 2016 (22 chn)	
40%	100%	90.9%	

NEWBURY ACADEMY TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2016

2.1d EYFS

GLD Fir Tree 2015	GLD LA 2015	GLD National 2015	APS Fir Tree 2015	APS LA 2015	APS National 2015
69.2%			36.1		
GLD Fir Tree 2016	GLD LA 2016	GLD National 2016	APS Fir Tree 2016	APS LA 2016	APS National 2016
77.4%			36.9		
Pupil Premium 2016 (7 chn)	Pupil Premium excl SEN 2016 (5 chn)	Whole cohort excl Pupil Premium (24 chn)			
85.7%	100%	79.1%			

Attendance

Attendance for 2015-2016 was 95.7%

Public Benefit

In setting objectives and planning the Trust's activities, the Board of Directors confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to pay due regard to the published guidance from the Charity Commission regarding the principle of public benefit.

NEWBURY ACADEMY TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2016

Going Concern

After consideration of the Trust's financial position and its financial plans, the Board of Trustees have a reasonable expectation that the Trust has and will continue to have adequate resources to enable it to be a sustainable going concern in 2015/16 and for the foreseeable future. For this reason the Trust continues to adopt the Going Concern principle in preparing its financial statements. Further details regarding the adoption of the Going Concern basis can be found in the statement of accounting policies.

Financial Review

Newbury Academy Trust received income into its Unrestricted Fund, Restricted General Funds and Fixed Asset Fund during 2015/16:

Restricted General Fund

The majority of the Trust's income was received through Education Funding Agency (EFA) recurrent revenue grants into the Restricted General Fund, the use of which is restricted to the Trust's charitable activities, its educational operations. These revenue grants and the associated revenue expenditure made against them are detailed in the SOFA. General Restricted Fund income for the period was £6,206,946 (2015: £6,043,310); expenditure against the fund was £7,055,810 (2015: £5,907,501), resulting in a deficit of £848,864 (2015: *surplus* £135,809) before transfers to the Restricted Fixed Fund and accounting for the pension deficit.

Unrestricted Funds

Income received into the Unrestricted Fund was £227,409 (2015: £182,590). This was attributable to lettings income and fundraising. Expenditure against the fund was £123,593 (2015: £92,266) for the period resulting in surplus of £103,816 (2015: £90,324).

Restricted Fixed Asset (Capital) Fund

The Restricted Fixed Asset Fund balance is reduced by an annual depreciation charge over the expected useful life of the assets concerned in line with the Trust's depreciation policy.

Income received into the fund Academies Capital Maintenance Funding and Formula Capital Funding of £233,869 (2015: £814,955).

The SOFA details a £677,362 (2015: £633,139 *surplus*) Restricted Fixed Asset Fund period end deficit after transfers between funds. This is detailed in note 16 to the accounts.

Summary of Financial Performance

Fund balances as at 31 August 2016 totalled £10,779,956 (2015: £12,421,387). This is comprised of £450,258 (2015: £346,442) of Unrestricted Funds, Deficit of £1,488,852 (2015: *deficit* £420,967) in Restricted General Funds (after accounting for pension deficit of £895,000 (2015: £10,000)), £11,818,550 (2015: £12,495,912) of Restricted Fixed Asset Funds and £32,465 (2015: £18,057) of Restricted Other Funds.

Balance Sheet

The Trust's assets were predominantly used for providing education to school students. Some assets were let to the local community, predominately for sports activities and a holiday activity club.

The net book value of the Trust's tangible fixed assets was £11,803,058 (2015: £11,709,854) as at 31 August 2016. The movement in this account is detailed in note 12. Cash in hand at 31 August 2016 was £1,264,161 (2015: £1,829,979). The Reserves and Investment Policies are detailed below.

NEWBURY ACADEMY TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2016

Reserves Policy

The Board of Directors reviews the Trust's Reserve Policy annually. The Board of Directors have determined that the appropriate level of free reserves should be a minimum of 2.5% of total funding. The policy of the Trust is to carry forward a prudent level of resources designed to meet the long term cyclical needs of renewal and any other unforeseen contingencies, subject to the constraint that the level of resources does not exceed the level permitted by the EFA. The Trust's free reserves as at 31st August 2016 were £450,258 (2015: £346,442). These free reserves represent 6.8% of total incoming resources in the year. The reason for this reserve is to provide sufficient working capital and to provide a cushion to deal with unexpected emergencies. In future years capital maintenance and development projects may be considered in the reserves policy review.

The level of general revenue reserves held on 31st August 2016:

Unrestricted	450,258
Restricted:	
Fixed asset funds	11,818,550
GAG	486,683
Pension reserve	(2,008,000)
Other	<u>32,465</u>
	10,779,856

Defined Benefit Pension Scheme

The valuation of the defined benefit pension scheme is a liability of £2,008,000 (2015: £997,000) on the balance sheet, this is offset by the Trust's reserves.

In respect of any surplus or deficit recognised in relation to the Trust's share of the Local Government Pension Scheme, this would generally result in a cash flow effect for the Trust in the form of an increase or decrease in employer's pension contributions over a number of years. This period a deficit of £2,008,000 (2015: £997,000) has been recognised as a liability in the accounts; this does not present an immediately repayable debt.

Funds held as Custodian Trustee on behalf of others

Neither Newbury Academy Trust nor the Board of Directors/Trustees are acting as third party custodial trustees.

Investment Policy

The Trust does not have any investments.

NEWBURY ACADEMY TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2016

Plans for Future Periods

Newbury Academy Trust strives to continually provide quality lifelong education for all its learners, preparing them for their next steps at every stage. Ultimately preparing them to be well rounded people with the skills to be the very best they can be in whatever they choose to do.

We will continually review our working practices to ensure our learners receive the best opportunities by providing a balanced curriculum with opportunities for enrichment and challenge. We will provide high quality teaching to enable all to learn and make progress from whatever their starting points.

Our plans to continually develop will see the Trust looking at areas of curriculum design and building projects to further develop the learning environment on both sites with a new ASD unit being built at Fir Tree and new classroom blocked planned for Trinity.

Principal Risks and Uncertainties

The Board of Directors have considered the major risks to which it is exposed, in particular those relating to governance, finance, insurance, attainment, attendance, behaviour, health and safety, organisation, operations, safeguarding, reputation, HR and ICT.

The Board of Directors have implemented a number of systems to assess and reduce risks that the School faces, especially in operational areas in relation to teaching, health and safety, (including school trips), behaviour management, and in relation to the control of finances. They have introduced policies and systems for the recruitment, selection and vetting of new staff, continual professional development of staff, child protection, supervision of students around the school site and internal financial controls to minimise financial risk.

Adequate insurance has been arranged where significant financial risk remains. The School has an effective system of internal financial control as explained in the Statement on Internal Control.

Financial and Risk Management Objectives and Policies

The objective of the Trust's Risk Management procedure is to identify the principal risks facing the Trust so that existing controls may be considered and further action taken if required, including external insurance.

The Board of Directors have a comprehensive risk management process to identify and monitor the risks faced by the Trust.

The financial risks considered include: economic /financial uncertainty, liquidity and solvency, credit risk, the risk of fraud and compliance with financial/statutory requirements.

**NEWBURY ACADEMY TRUST
REPORT OF THE GOVERNORS
FOR THE YEAR ENDED 31 AUGUST 2016**

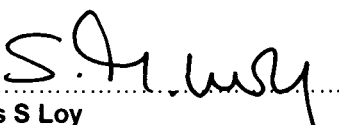
Auditor


In so far as the directors are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the directors 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 auditors, Crowe Clark Whitehill LLP, who were appointed during the period, are willing to continue in office and a resolution to appoint them will be proposed at the Annual General Meeting.

The Report of the Governors has been prepared under the Charities Act 2011 and the Companies Act 2006, and was approved by the Directors of Newbury Academy Trust on the date below, including in their capacity as company directors approving the Strategic Report contained therein, and is signed as authorised on its behalf by:


.....
Mrs S Loy
Chair of Directors


.....
Mrs C Wilson
Accounting Officer


.....

NEWBURY ACADEMY TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2016

Scope of Responsibility

- As directors, we acknowledge we have overall responsibility for ensuring that the Newbury Academy Trust has an effective and appropriate system of control, financial and otherwise. However such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.
- The directors has delegated the day-to-day responsibility to the Executive Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Newbury Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the trustees any material weaknesses or breakdowns in internal control.

Governance

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

During the period covered by these accounts the Trust implemented a new governance structure effective from the 1st January 2016. Trinity and Fir Tree Schools each have a single tier Local Governing Body with Curriculum and Pastoral terms of reference. The Trust has also established a Finance and Staffing Committee, with a direct reporting line to the Board. Its purpose is to consider, review and advise upon delegated Trust wide financial and staffing matters, and to report accordingly to the Board, with recommendations or actions as appropriate. The Committee's purpose is to assist the decision making of the Board by enabling more detailed consideration to be given to how the Board ensures the sound management of the Trusts finances and resources, including proper planning, monitoring and probity. The Committee also has oversight of staffing matters. During the period covered by these accounts, the committee has focused on achieving best value for money.

The Board of Directors reviews the terms of reference, constitution, membership and meeting frequency of its committees annually.

Between January and July 2016 the Board of Directors, the Trust Finance and Staffing Committee and the Local Governing Bodies at Fir Tree School and Trinity School each met four times.

Prior to the governance review, which comprised the Autumn Term 2015, the Board of Directors met once, Trinity Governing Body met twice, its committee's met three times, and the Fir Tree School Local Management Board met twice. Trinity School Finance and Staffing Committee and the Fir Tree Local Management Committee also met together for one Finance meeting.

The total number of meetings across the NAT Governance Structure for the period covered by these accounts is twenty five.

Governor attendance at all meetings during the period covered by these accounts is given below.

NEWBURY ACADEMY TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2016

Newbury Academy Trust Board of Directors (Full Governing Body)

September 2015-July 2016 attendance

Name	Meetings Attended	Out of a Possible
Sheila Loy (Chair)	5	5
Kate Adams (Appointed Dec 2015)	3	4
Nick Awbery	5	5
Ed Collett (Appointed Dec 2015)	4	4
Nick Cornish	5	5
Angie Creed	4	5
Paul Dick (Resigned Dec 2015)	0	0
Laura Dove	4	5
Lyn Lewis (Appointed Feb 2016)	1	3
John Rigby	3	5
Carolyn Rees (Appointed Dec 2015)	4	4
Glyn Whiteford (Appointed Dec 2015)	4	4
Charlotte Wilson	5	5

Newbury Academy Trust Finance and Staffing Committee

January to July 2016 attendance.

Name	Meetings Attended	Out of a Possible
Glyn Whiteford (Chair)	4	4
Frazer Hayton	3	4
Lyn Lewis	3	4
Laura Dove	4	4
Kristie Reed	4	4
Charlotte Wilson	4	4

Trinity School Local Governing Body (Curriculum & Pastoral)

January 2016-July 2016 attendance

Name	Meetings Attended	Out of a Possible
Sheila Loy (Chair)	4	4
Ed Collett	3	4
Frazer Hayton	3	4
Primrose Hoskins	4	4
Zoie Golding (Appointed Feb 2016)	2	3
Lyn Lewis	3	4
Carolyn Rees	4	4
Charlotte Wilson	4	4

Fir Tree School Local Governing Body (Curriculum & Pastoral)

January 2016-July 2016

Name	Meetings Attended	Out of a Possible
Nick Awbery (Chair)	4	4
Kate Adams	4	4
Karen Dougal	4	4
Kristie Reed	3	4
Laura Dove	4	4
Glyn Whiteford	4	4
Charlotte Wilson	3	4

NEWBURY ACADEMY TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2016

The following tables detail attendance in the Autumn Term 2015, prior to the restructuring of governance in January 2016.

Trinity School Full Governing Body September 2015 –December 2015

Name	Meetings Attended	Out of a Possible
Sheila Loy (Chair)	2	2
Ed Collett	2	2
Nick Cornish	2	2
Angie Creed	2	2
Primrose Hoskins	1	1
Lyn Lewis	1	2
Carolyn Rees	1	2
Charlotte Wilson	2	2

Trinity School Finance and Staffing Committee September- December 2015

Name	Meetings Attended	Out of a Possible
Lyn Lewis (Chair)	1	1
Sheila Loy	1	1
Charlotte Wilson	0	1

Trinity School Curriculum and Pastoral Committee September – December 2015

Name	Meetings Attended	Out of a Possible
Carolyn Rees (Chair)	2	2
Ed Collett	2	2
Lyn Lewis	1	2
Angie Creed	1	2
Primrose Hoskins	1	1
Sheila Loy	1	2
Charlotte Wilson	1	2

Fir Tree Local Management Board September – December 2015

Name	Meetings Attended	Out of a Possible *
Nick Awbery(Chair)	3	3
Kate Adams	2	3
Karen Dougal	3	3
Laura Dove	3	3
Glyn Whiteford	3	3
Charlotte Wilson	1	3

**includes one joint Trinity/Fir Tree finance meeting with the Trust's auditors*

Review of Value for Money

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

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

NEWBURY ACADEMY TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2016

Review of Value for Money (continued)

1. Attainment and achievement across both schools continue to be strong with progress measures putting both schools in the top third of all schools for adding value to learners education from their starting points.
2. In both schools the rolls have continued to grow across the academic year. This is down to positive marketing and the growing reputations of both schools.

These good outcomes have been achieved by:

- Reviewing the curriculum in both schools to ensure it matches the needs of our learners.
- The staffing structure is regularly reviewed to ensure staff are efficiently deployed and are appropriately qualified.
- Where relevant, staff expertise is shared between the two schools to moderate work and support learning. Staff are held to account through a robust performance management structure ensuring progression through pay scales is subject to review and scrutiny. Analysis will show such progression is not automatic.
- Constant monitoring of performance is undertaken through a programme of senior team lesson observations and reviews in both schools. Staff are supported and coached to secure outstanding teaching and learning outcomes where necessary and best practice is shared throughout the Trust.
- Tracking systems ensure each learner is tracked at key points throughout the year to ensure all learners are making at least expected progress. Intervention programmes are deployed as and when necessary using a toolkit of interventions which include holiday and after school boosters, targeted one to one, withdrawal from lessons, outside agency support and mentoring.
- Pupil Premium spending is monitored and evaluated to avoid spending funding on activities that have little impact on achievement. Funding is spent in ways known to be most effective for learners to maximise attainment in school and reach their potential.

In both schools, refurbishment and building projects are delivered within budget to ensure the learning environment is constantly updated to ensure we provide the very best for our learners. In this Academic Year these projects include the minor refurbishments to the learning environment at Fir Tree and the building of a two storey classroom block at Trinity.

Purpose of the System of Internal Control

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

Capacity to Handle Risk

The Directors' Board has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Directors' Board is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period ending 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Directors' Board.

NEWBURY ACADEMY TRUST
GOVERNANCE STATEMENT
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 Directors' Board
- 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 Directors' Board has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed an experienced Finance Manager from a local MAT to provide general financial oversight. The reviewer's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular, checks carried out in the current period included:

- EFA Income
- Non GAG income
- Reporting to Governors
- Review of the risk register
- Capital contracts/projects
- Journals

The reviewer reports to the Executive Head and finance committee on the operation of the systems of control and on the discharge of the Directors' Board financial responsibilities. During the period, no material control issues have been identified requiring remedial action.

**NEWBURY ACADEMY TRUST
GOVERNANCE STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2016**

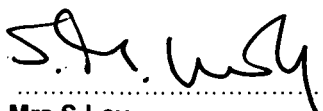
Review of Effectiveness

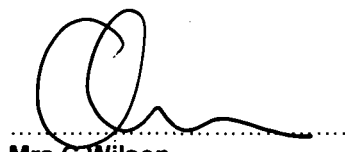
As Accounting Officer, the Executive Head Teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the reviewer;
- The Academies Financial Handbook;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the School Bursar within the academy trust who has 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 Committees and the Responsible Officer and is pleased to report that no weaknesses have been identified. A programme of further review will however ensure continuous development of the system is in place.

Approved by order of the members of the Directors' Board on 7/11/16 and signed on its behalf by:


.....
Mrs S Loy
Chair of Directors

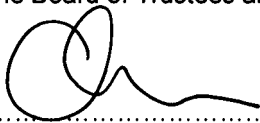

.....
Mrs C Wilson
Accounting Officer

NEWBURY ACADEMY TRUST
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE
FOR THE YEAR ENDED 31 AUGUST 2016

As Accounting Officer of Newbury Academy Trust I have considered my responsibility to notify the Academy Trust Directors' Board and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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



.....
Mrs C Wilson
Accounting Officer

7/11/16
.....

NEWBURY ACADEMY TRUST
STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Governors (some of whom who are also directors of Newbury Academy Trust for the purposes of company law) are responsible for preparing the Governors' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards).

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

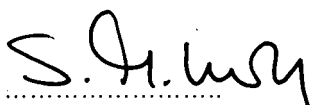
- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016
- make judgments and accounting estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business

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

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

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

Approved by order of the members of the Directors' Board on 7/11/16 and signed on its behalf by:



.....
Mrs S Loy
Chair of Directors

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEWBURY ACADEMY TRUST

We have audited the financial statements of Newbury Academy Trust for the period ended 31 August 2016 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes numbered 1 to 31.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) 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 the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Governors Responsibilities, the governors (some of whom are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Trustees' Report and Strategic Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF NEWBURY ACADEMY TRUST (CONTINUED)

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 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, including the Academies' Accounts Direction 2015 to 2016 issued by the Education Funding Agency; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

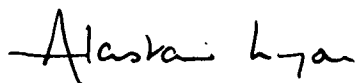
Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Governor's Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

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



Alastair Lyon
Senior Statutory Auditor

For and on behalf of
Crowe Clark Whitehill LLP
Statutory Auditor
Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL

9 December 2016

INDEPENDENT AUDITOR'S REPORT ON REGULARITY TO THE GOVERNING BODY OF NEWBURY ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 3 October 2015 and further to the requirements of the Education Funding Agency (EFA), we have carried out a review to obtain assurance about whether, in all material respects, the expenditure disbursed and income received by the 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 governing body and the EFA in accordance with the terms of our engagement. Our work has been undertaken so that we might state to Newbury 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 governing body and the EFA, for our review work, for this report, or for the conclusion we have formed.

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

- 3 The accounting officer is responsible, under the requirements of Newbury Academy Trust's funding agreement with the Secretary of State of Education and the Academies Financial Handbook, for ensuring
4 that expenditure disbursed and income received is applied for the purposes intended by Parliament and
5 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 and 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 academy trust's income and expenditure. The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review.

**INDEPENDENT AUDITOR'S REPORT ON REGULARITY TO THE GOVERNING
BODY OF NEWBURY 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.

Crowe Clark Whitehill

Crowe Clark Whitehill LLP
Statutory Auditor
Aquis House
49-51 Blagrove Street
Reading
Berkshire
RG1 1PL

9 December 2016

NEWBURY ACADEMY TRUST
STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2016

(INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

	Note	Un- restricted Funds £	Restricted Funds General £	Restricted Fixed Asset Funds £	2016 Total £	2015 Total £
Income and endowments from:						
Donations and capital grants	3	-	2,916	233,869	236,785	886,826
<i>Charitable activities:</i>						
Funding for the Academy's educational operations	6	-	6,204,030	-	6,204,030	5,971,439
Other trading activities	4	224,767	-	-	224,767	180,605
Investments	5	2,642	-	-	2,642	1,985
Total		<u>227,409</u>	<u>6,206,946</u>	<u>233,869</u>	<u>6,668,224</u>	<u>7,040,855</u>
Expenditure on:						
Raising funds		123,593	4,767	-	128,360	99,803
<i>Charitable activities:</i>						
Academy's educational operations	8	-	7,046,391	239,904	7,286,245	6,143,744
Total	7	<u>123,593</u>	<u>7,051,158</u>	<u>239,904</u>	<u>7,414,655</u>	<u>6,243,547</u>
Net income/(expenditure)		103,816	(844,212)	(6,035)	(746,431)	797,308
Gross transfers between funds	16	-	671,327	(671,327)	-	-
Other recognised gains and losses						
Actuarial (losses) on defined benefit pension schemes	28	-	(895,000)	-	(895,000)	(10,000)
Net movement in funds		103,816	(1,067,885)	(677,362)	(1,641,431)	787,308
Funds brought forward at 1 September 2015		<u>346,442</u>	<u>(420,967)</u>	<u>12,495,912</u>	<u>12,421,387</u>	<u>11,634,079</u>
Funds carried forward at 31 August 2016		<u>450,258</u>	<u>(1,488,852)</u>	<u>11,818,550</u>	<u>10,779,956</u>	<u>12,421,387</u>

All the Academy's activities are derived from acquisitions and continuing operations in the current financial period.

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

COMPANY NUMBER: 08142572
NEWBURY ACADEMY TRUST
BALANCE SHEET
31 AUGUST 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	12	<u>11,803,058</u>	<u>11,709,854</u>
Current assets			
Debtors	13	137,350	213,436
Cash at bank and in hand		<u>1,264,161</u>	<u>1,829,979</u>
		<u>1,401,512</u>	<u>2,043,415</u>
Current liabilities			
CREDITORS: amounts falling due within one year	14	<u>(416,613)</u>	<u>(334,882)</u>
Net current assets		<u>984,898</u>	<u>1,708,533</u>
Total assets less current liabilities		<u>12,787,956</u>	<u>13,418,387</u>
Net assets excluding pension liability			
Pension scheme liability	28	<u>(2,008,000)</u>	<u>(997,000)</u>
Net assets including pension liability		<u>10,779,956</u>	<u>12,421,387</u>
Restricted funds			
General fund		486,683	557,976
Pension deficit		(2,008,000)	(997,000)
Fixed asset fund		11,818,550	12,495,912
Restricted other		<u>32,465</u>	<u>18,057</u>
Total restricted funds	16	<u>10,329,698</u>	<u>12,074,945</u>
Unrestricted funds			
General funds	16	<u>450,258</u>	<u>346,442</u>
Total funds		<u>10,779,956</u>	<u>12,421,387</u>

The financial statements were approved by the Directors and authorised for issue on 7/11/16
and are signed on their behalf by


.....
Mrs S Loy
Chair of Directors

NEWBURY ACADEMY TRUST
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	2016 £'000	2015 £'000
Cash Flows from operating activities	23	(467,725)	393,864
Cash Flows From investing activities	24	(98,093)	721,165
Change in cash and cash equivalents in the year		(565,818)	1,115,029
Cash and cash equivalents at the beginning of the year		1,829,979	714,950
Total cash and cash equivalents at the end of the year	25	<u>£ 1,264,161</u>	<u>£ 1,829,979</u>

All the Academy's cash flows are derived from acquisitions and continuing operations in the current financial period.

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

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. CHARITY INFORMATION

The principal activity of the Newbury Academy Trust is to provide secondary education for pupils aged 4 to 18. The Trust is an exempt charity and a company limited by guarantee (company number: 08142572). It is incorporated and domiciled in the UK. The address of the registered office is Newbury Academy Trust, Trinity School, Love Lane, Shaw, Newbury, Berkshire, RG14 2DU.

2. ACCOUNTING POLICIES

a) Basis of Preparation

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

Newbury Academy Trust meets the definition of a public benefit entity under FRS 102

b) 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 company to continue as a going concern. The Directors make this assessment in respect of a period of one year from the date of approval of the financial statements.

c) Conversion to an Academy Trust

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

The assets and liabilities transferred on conversion to an academy trust have been valued at their fair value being a reasonable estimate of the current market value that the governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Newbury Academy Trust Limited. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of specific elements of the transaction are set out in the accounting policies below.

d) Income

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

Grants Receivable

Grants receivable 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.

General Annual Grant

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

Capital Grants

Capital grants are recognised when relievable 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 Sheet in the restricted fixed asset fund.

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

2. ACCOUNTING POLICIES (continued)

d) Income (continued)

Sponsorship Income

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable.

Donations

Donations are included in the Statement of Financial Activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the Balance Sheet date.

Other income

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

Interest receivable is included within the Statement of Financial Activities on a receivable basis.

Donated Services and Gifts in Kind

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

In respect of buildings transferred to the Academy from its previous form as a Maintained School, the open market value of this has been included within voluntary income under the Restricted Fixed Asset Fund. The cost of the building is depreciated over 50 years.

e) 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.

Costs of Generating Funds

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

Charitable Activities

These are costs incurred on the Academy Trust's educational operations.

All resources expended are inclusive of irrecoverable VAT.

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

2. ACCOUNTING POLICIES (continued)

f) Tangible Fixed Assets

Assets costing £1,000 or more, which have been acquired since the Academy was established, are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Freehold Land and Buildings that were acquired when the Academy was established are now valued at depreciated replacement cost. The governors are not expecting to revalue the property in the future.

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 the expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

Leasehold land and buildings	2%
Fixtures and fittings	20%
Motor Vehicles	20%
Plant and machinery	20%
Computer equipment	33%

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

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

Impairment losses are recognised in the Statement of Financial Activities.

g) Liabilities

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

h) Foreign Currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the Balance Sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in trading profit.

i) Operating Leases

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

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

2. ACCOUNTING POLICIES (continued)

j) Taxation

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

k) Pensions Benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 28, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised in the period to which they relate.

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

l) Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The funds received and paid and any balances held are disclosed in note 27.

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

m) Fund Accounting

General funds represent those resources which may be used towards meeting any of the objects of the Academy at the discretion of the Directors.

Restricted funds comprise grants from the EFA and other donors which are to be used for specific purposes.

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

2. ACCOUNTING POLICIES (continued)

n) Critical Areas of Judgement

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.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, 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.

Other than the LGPS noted above, the Governors consider that there are no other material judgements in applying accounting policies or key sources of estimation uncertainty.

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

3. DONATIONS

	2016 Unrestricted Funds £	2016 Restricted Funds £	2016 Total £	2015 Unrestricted Funds £	2015 Restricted Funds £	2015 Total £
Academies capital maintenance fund	-	233,869	233,869	-	814,955	814,955
Donations	-	2,916	2,916	-	71,871	71,871
	<u>-</u>	<u>236,785</u>	<u>236,785</u>	<u>-</u>	<u>886,826</u>	<u>886,826</u>

4. OTHER TRADING ACTIVITIES

	2016 Unrestricted Funds £	2016 Restricted Funds £	2016 Total £	2015 Unrestricted Funds £	2015 Restricted Funds £	2015 Total £
Hire of facilities and lettings	101,677	-	101,677	82,232	-	82,232
Sales materials	17,327	-	17,327	26,297	-	26,297
Examination fees	1,804	-	1,804	2,104	-	2,104
Other income	<u>103,959</u>	<u>-</u>	<u>103,959</u>	<u>69,972</u>	<u>-</u>	<u>69,972</u>
	<u>224,767</u>	<u>-</u>	<u>224,767</u>	<u>180,605</u>	<u>-</u>	<u>180,605</u>

5. INVESTMENT INCOME

	2016 Un-restricted Funds £	2016 Restricted Funds £	2016 Total £	2015 Unrestricted Funds £	2015 Restricted Funds £	2015 Total £
Bank Interest	<u>2,642</u>	<u>-</u>	<u>2,642</u>	<u>1,985</u>	<u>-</u>	<u>1,985</u>
	<u>2,642</u>	<u>-</u>	<u>2,642</u>	<u>1,985</u>	<u>-</u>	<u>1,985</u>

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

6. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS

	Un- restricted Funds £	Restricted Funds £	Total 2016 £	Un- restricted Funds £	Restricted Funds £	Total 2015 £
DfE / EFA revenue grants						
General Annual Grant (GAG)	-	4,623,815	4,623,815	-	4,568,998	4,568,998
Other DfE / EFA grants	<u>-</u>	<u>916,720</u>	<u>916,720</u>	<u>-</u>	<u>1,059,330</u>	<u>1,059,330</u>
Other Government grants						
Local authority	-	187,105	187,105	-	144,844	144,844
Other grants	<u>-</u>	<u>347,981</u>	<u>347,981</u>	<u>-</u>	<u>182,375</u>	<u>182,375</u>
Total grants	<u>-</u>	<u>6,621</u>	<u>6,075,621</u>	<u>-</u>	<u>5,955,547</u>	<u>5,955,547</u>
Trip income	-	128,409	128,409	-	15,892	15,892
Total	<u>-</u>	<u>6,204,030</u>	<u>6,204,030</u>	<u>-</u>	<u>5,971,439</u>	<u>5,971,439</u>

7. EXPENDITURE

	Staff costs £	Premises £	Other costs £	2016 Total £	2015 Total £
Costs of generating voluntary income	-	-	128,360	128,360	99,803
Academy's educational operations					
Direct costs	4,399,844	-	753,290	5,153,134	4,638,461
Allocated support costs	<u>808,021</u>	<u>400,938</u>	<u>924,202</u>	<u>2,133,161</u>	<u>1,505,283</u>
Total	<u>5,207,865</u>	<u>400,938</u>	<u>1,805,852</u>	<u>7,414,655</u>	<u>6,243,547</u>

The method used for the apportionment of support costs is disclosed in the accounting policies (note 2).

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

7. EXPENDITURE (CONTINUED)

Net income/(expenditure) for the period is stated after charging:-

	2016 £	2015 £
Operating leases - other	9,913	7,431
Depreciation	239,905	243,780
Loss on disposal of fixed assets	1,495	-
Auditor's remuneration for audit services	<u>14,680</u>	<u>14,250</u>

8. ACADEMY'S EDUCATIONAL OPERATIONS

	Un- restricted Funds £	Restricted Funds £	Total 2016 £	Un- restricted Funds £	Restricted Funds £	Total 2015 £
Direct costs						
Teaching and educational	-			-		
support staff costs		4,399,844	4,399,844		3,962,465	3,962,465
Depreciation	-	239,904	239,904	-	243,780	243,780
Educational supplies	-	121,026	121,026	-	72,515	72,515
Examination fees	-	78,277	78,277	-	69,332	69,332
Staff development	-	-	-	-	-	-
Other direct costs	-	<u>314,083</u>	<u>314,083</u>	-	<u>290,369</u>	<u>290,369</u>
	-	<u>5,153,134</u>	<u>5,153,134</u>	-	<u>4,638,461</u>	<u>4,638,461</u>
Allocated support costs						
Support staff costs	-	808,021	808,021	-	749,163	749,163
Recruitment and support	-	35,014	35,014	-	19,217	19,217
Marketing and advertising	-	17,487	17,487	-	14,921	14,921
Maintenance of premises and equipment	-	851,539	851,539	-	244,398	244,398
Cleaning	-	113,751	113,751	-	113,297	113,297
Rent & rates	-	44,361	44,361	-	39,993	39,993
Insurance	-	27,602	27,602	-	42,197	42,197
Security and transport	-	8,973	8,973	-	12,210	12,210
Professional and consultancy	-	21,734	21,734	-	23,255	23,255
Postage	-	8,765	8,765	-	7,825	7,825
Catering	-	63,206	63,206	-	76,312	76,312
School trips	-	112,150	112,150	-	83,026	83,026
Other support costs	-	5,698	5,698	-	65,219	65,219
Governance	-	<u>14,860</u>	<u>14,860</u>	-	<u>14,250</u>	<u>14,250</u>
		<u>2,133,161</u>	<u>2,133,161</u>		<u>1,505,283</u>	<u>1,505,283</u>
		<u>7,286,295</u>	<u>7,286,295</u>		<u>6,143,744</u>	<u>6,143,744</u>

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

9. STAFF

Staff costs

	2016 £	2015 £
Staff costs during the period were:		
Wages and salaries	4,291,574	3,955,817
Social security costs	329,050	277,222
Pension costs	<u>567,241</u>	<u>478,589</u>
	<u>5,187,865</u>	<u>4,711,628</u>
Staff Restructuring Costs	20,000	-
	<u>5,207,865</u>	<u>4,711,628</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £20,000 (2015: £nil). Individually, the payments were: £20,000.

	2016 No.	2015 No.
Charitable Activities		
Teachers	75	67
Administration and support	<u>95</u>	<u>87</u>
	<u>170</u>	<u>154</u>

	2016 No.	2015 No.
* The number of employees whose emoluments fell within the following bands was:		
£80,001 - £90,000	1	1
£70,001 - £80,000	-	-
£60,001 - £70,000	2	2

There are 3 (2015: 3) employees who participated in the Teachers' Pension Scheme. During the period ended 31 August 2016, pension contributions for these members of staff amounted to £35,558 (2015: £29,615).

The Key management personnel of the Academy Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions received by key management personnel for their services to the academy trust was £782,155 (2015: £585,648).

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

10. GOVERNORS' REMUNERATION AND EXPENSES

The Executive Headteacher, Fir Tree Headteacher and staff governors only receive remuneration in respect of services they provide undertaking the roles of Executive Headteacher, Headteacher and staff and not in respect of their services as governors.

The value of the Executive Headteacher's remuneration was £80,000 to £85,000. Employer's pension contributions were £10,000 to £15,000.

The value of the Fir Tree Headteacher's remuneration was £50,000 to £55,000. Employer's pension contributions were £5,000 to £10,000.

During the period ended 31 August 2016, travel and subsistence expenses totalling £204 (2015: £300) were reimbursed.

Related party transactions involving governors are set out in note 26.

11. DIRECTORS', GOVERNORS' AND OFFICERS' INSURANCE

The Academy has entered a voluntary Risk Protection Arrangement (RPA) with the Department for Education. The RPA is not an insurance scheme but is a mechanism through which the cost of risks that materialise will be covered by government funds. This arrangement includes Governors' liability and professional indemnity. There is no separately identifiable charge for this insurance cover.

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

12. TANGIBLE FIXED ASSETS

	Long Leasehold Buildings £	Long Leasehold Land £	Assets in the Course of Construction £	Furniture Fittings and Equipment £	Computer Equipment £	Motor Vehicles £	2016 Total £
Cost							
Brought forward	9,171,345	2,930,000	67,879	44,152	141,173	40,290	12,394,839
Additions	-	-	318,343	-	16,261	-	334,604
Disposals	-	-	-	(7,475)	-	-	(7,475)
Transfer	<u>386,222</u>	<u>-</u>	<u>(386,222)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 August 2016	<u>9,557,567</u>	<u>2,930,000</u>	<u>-</u>	<u>36,677</u>	<u>157,434</u>	<u>40,290</u>	<u>12,721,968</u>
Depreciation							
Brought forward	536,829	-	-	22,730	106,594	18,832	684,985
Charged in period	190,997	-	-	13,820	30,636	4,452	239,905
Disposals	<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,980)</u>	<u>-</u>	<u>-</u>	<u>(5,980)</u>
At 31 August 2016	<u>727,826</u>	<u>-</u>	<u>-</u>	<u>30,570</u>	<u>137,230</u>	<u>23,284</u>	<u>918,910</u>
Net book value							
At 31 August 2016	<u>8,829,741</u>	<u>2,930,000</u>	<u>-</u>	<u>6,107</u>	<u>20,204</u>	<u>17,006</u>	<u>11,803,058</u>
Net book value							
At 31 August 2015	<u>8,634,516</u>	<u>2,930,000</u>	<u>67,879</u>	<u>21,422</u>	<u>34,579</u>	<u>21,458</u>	<u>11,709,854</u>

The trusts transfers relating to freehold buildings included building improvements from assets under the course of construction relate entirely to the 6th form, kitchen and the library.

Included within Fixed Assets is recognition of the value of the land and buildings transferred to the Academy from its predecessor form as a Maintained School. The Academy has used the site valuation provided by West Berkshire Council at the date of conversion.

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

13. DEBTORS

	2016 £	2015 £
Other debtors	12,251	44,358
Prepayments	<u>125,099</u>	<u>169,078</u>
	<u>137,350</u>	<u>213,436</u>

14. CREDITORS: amounts falling due within one year

	2016 £	2015 £
Other taxation and social security	98,479	82,537
Other Creditors	379	-
Accruals and deferred income	<u>317,755</u>	<u>252,345</u>
	<u>416,613</u>	<u>334,882</u>

Deferred Income	2016 £	2015 £
Deferred income at 1 September 2015	53,254	40,002
Resources deferred in the year	69,518	53,254
Amounts released from previous years	<u>(53,254)</u>	<u>(40,002)</u>
Deferred income at 31 August 2016	<u>69,518</u>	<u>53,254</u>

At the Balance Sheet date the Academy Trust was holding funds received from the EFA, Bus ticket income and music lesson income from students for the Autumn term 2016.

15. CENTRAL SERVICES

Trinity School has provided the following central services to Fir Tree School during the year:

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

The actual amount charged during the year to Fir Tree academy for the above services amounted to £75,000 (2015: £75,000).

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

16. STATEMENT OF FUNDS

	<i>Balance at 31 August 2015 £</i>	<i>Incoming Resources £</i>	<i>Resources expended £</i>	<i>Gains, Losses and Transfers £</i>	<i>Balance at 31 August 2016 £</i>
Restricted General Funds					
General Annual Grant	339,766	5,540,535	(6,064,945)	671,327	486,683
Pension reserve	(997,000)	-	(116,000)	(895,000)	(2,008,000)
Other EFA grants	218,210	535,086	(753,296)	-	-
School Fund	<u>18,057</u>	<u>131,325</u>	<u>(116,917)</u>	<u>-</u>	<u>32,465</u>
	<u>(420,967)</u>	<u>6,206,946</u>	<u>(7,051,158)</u>	<u>223,673</u>	<u>(1,488,852)</u>
Restricted Fixed Asset Fund					
Donated on conversion	11,709,854	-	(239,904)	316,848	11,786,798
DfE/EFA capital grants	<u>786,058</u>	<u>233,869</u>	<u>-</u>	<u>(988,175)</u>	<u>31,752</u>
	<u>12,495,912</u>	<u>233,869</u>	<u>(239,904)</u>	<u>(671,327)</u>	<u>11,818,550</u>
Unrestricted Funds					
Unrestricted funds	<u>346,442</u>	<u>227,409</u>	<u>(123,593)</u>	<u>-</u>	<u>450,258</u>
Total funds	<u><u>12,421,387</u></u>	<u><u>6,668,224</u></u>	<u><u>7,414,655</u></u>	<u><u>(895,000)</u></u>	<u><u>10,779,956</u></u>

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

Restricted General Funds - EFA grants (including GAG), which must be used to meet the cost of running Newbury Academy Trust.

Restricted Other Funds - represents donations and fundraising income generated by the school, which is for restricted use as stipulated by the donor.

Unrestricted Funds - represents income generated by the school (such as lettings and hire of facilities) and any other donations or investment income, which is not restricted for any specific purpose and can be spent as determined by the Directors' Board.

The transfer of £671,327 from the restricted fixed asset fund to the restricted general fund represents capital grants that have been utilised for refurbishment and maintenance projects during the year.

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

17. STATEMENT OF FUNDS (continued)

Fund balances at 31 August 2016 were allocated as follows:

	2016 £	2015 £
Trinity School	8,999,069	10,772,025
Fir Tree Primary	<u>1,780,887</u>	<u>1,649,362</u>
Total	<u>10,779,956</u>	<u>12,421,387</u>

	Teaching and Educational Support Staff Costs £	Other Support Staff Premises £	Educational Supplies £	Other Costs (excluding capital expenditure) £	Total £
Trinity School	3,760,051	695,729	92,796	1,814,379	6,362,955
Fir Tree Primary	<u>639,793</u>	<u>112,292</u>	<u>21,329</u>	<u>149,926</u>	<u>923,340</u>
Total	<u>4,399,844</u>	<u>808,021</u>	<u>114,125</u>	<u>1,964,305</u>	<u>7,286,295</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Other Restricted Fund £	Total £
Tangible fixed assets	16,260	-	11,786,798	-	11,803,058
Current assets	433,998	903,296	31,752	32,465	1,401,511
Current liabilities	-	(416,613)	-	-	(416,613)
Pension scheme liability	<u>-</u>	<u>(2,008,000)</u>	<u>-</u>	<u>-</u>	<u>(2,008,000)</u>
	<u>450,258</u>	<u>(1,521,317)</u>	<u>11,818,550</u>	<u>32,465</u>	<u>10,779,956</u>

19. CAPITAL COMMITMENTS

At 31 August 2016 there were commitments of £43,870 (2015: £271,599) in respect of future works to fire doors.

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

20. FINANCIAL COMMITMENTS

Operating Leases

At 31 August 2016 the Academy Trust had annual commitments under non-cancellable operating leases as follows:

	2016 £	2015 £
Other		
Expiring within one year	23,972	19,743
Expiring within two and five years inclusive	<u>34,129</u>	<u>7,798</u>
	<u>58,101</u>	<u>27,541</u>

21. CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a government capital grant was received, the Academy is required either to reinvest the proceeds or to repay to the Secretary of State the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to:-

- a) the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy.
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

22. MEMBERS' LIABILITIES

Every member of the charitable company undertakes to contribute such amount as may be required (such amount not exceeding £10) to the assets of the company in the event of it being wound up while he or she is a member or within one year after he or she ceases to be a member, for the payment of the Trust's debts and liabilities before he or she ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of contributions amongst themselves.

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

23. CASH FLOWS FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net income	(746,431)	811,308
Depreciation	239,905	243,780
Loss on disposal of fixed assets	1,495	-
Capital grant received	(233,869)	(889,955)
Defined benefit pension scheme cost	116,000	109,000
Interest received	(2,642)	(1,985)
Decrease in debtors	76,086	117,922
Increase in creditors	<u>81,731</u>	<u>3,794</u>
Cash Used in Operating Activities	<u>(467,725)</u>	<u>393,864</u>

24. CASH FLOWS FROM INVESTING ACTIVITIES

	2016 £	2015 £
Purchase of tangible fixed assets	(334,604)	(170,775)
Capital grants received	233,869	889,955
Interest received	<u>2,642</u>	<u>1,985</u>
Cash Provided by (used in) Investing Activities	<u>(98,093)</u>	<u>721,165</u>

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash at bank	1,264,161	1,829,979

26. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the Board of Directors being linked to local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Directors or a Governor may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

Kennet School – Mr P G Dick, a member of the Trust, is also the Headteacher of Kennet School.

- Kennet School provided the services of its finance staff to the trust at a cost of £661 during the period. There were no amounts outstanding at 31 August 2016.

Speenhamland School – Mr F Hayton, a member of Trinity School Local Governing Body, is also a Governor of Speenhamland School.

- Speenhamland School purchased £1,527 and invoiced £25 to Newbury Academy Trust for services during the period. There were no amounts outstanding at 31 August 2016.

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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26. RELATED PARTY TRANSACTIONS (CONTINUED)

Mrs K Dougal – the daughter of a member of the Local Governing Body for Fir Tree School is employed by the Trust.

- The total salary and employer pension contributions paid during the year was £33,241.

27. AGENCY ARRANGEMENTS

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2016 the trust received £5,922 and disbursed £890.82 from the fund. An amount of £5,031 is included in other creditors relating to undistributed funds that is repayable to EFA.

28. PENSIONS AND SIMILAR OBLIGATIONS

The Academy'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 the Royal County of Berkshire Pension Scheme. Both are defined-benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was March 2004 and the LGPS, 31 March 2013.

Contributions amounting to £6,920 (2015: £6,528) were payable to the schemes at 31 August 2016 and are included within creditors.

Teachers' Pension Scheme

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.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

28. PENSIONS AND SIMILAR OBLIGATIONS (CONTINUED)

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 employer's pension costs paid to TPS in the period amounted to £450,575 (2015: £355,111).

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

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2016 was £166,000, of which employer's contributions totalled £122,000 and employees' contributions totalled £44,000. The agreed contribution rates for future years are 18.3 per cent for employers and from 5.5 to 7.5 per cent for employees depending on salary.

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.

Principal actuarial assumptions	At 31 August 2016	At 31 August 2015
Rate of increase in salaries	4.1%	4.5%
Rate of increase of pensions in payment / inflation	2.3%	2.7%
Discount rate for scheme liabilities	2.2%	4.0%
Inflation Assumption (CPI)	2.3%	2.7%

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

	At 31 August 2016	At 31 August 2015
Retiring today - males	22.9	22.8
Retiring today - females	26.2	26.1
Retiring in 20 years - males	25.2	25.1
Retiring in 20 years - females	28.5	28.4

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

28. PENSIONS AND SIMILAR OBLIGATIONS (CONTINUED)

The academy trust's (combining Trinity School and Fir Tree Primary) share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2016	Fair value at 31 August 2016 £'000	Expected return at 31 August 2015	Fair value at 31 August 2015 £'000
Equities	49%	401	45%	276
Gilts	2%	13	1%	8
Other bonds	14%	112	13%	77
Property	13%	106	14%	83
Cash	4%	34	5%	30
Target Return Portfolio	16%	131	18%	110
Commodities	2%	19	4%	24
Infrastructure	5%	40	4%	26
Longevity Insurance	-4%	<u>(34)</u>	-4%	<u>(24)</u>
Total market value of assets		<u>822</u>		<u>610</u>

The actual return on scheme assets was £105,000.

The amounts included within the Statement of Financial Activities would be as follows:

	2016 £'000	2015 £'000
Current service cost	(199)	(205)
Administration expenses	(1)	-
Net interest on the defined liability	<u>(38)</u>	<u>(37)</u>
Total operating charge	<u>(238)</u>	<u>(242)</u>

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
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28. PENSIONS AND SIMILAR OBLIGATIONS (CONTINUED)

Newbury Academy Trust expects to contribute £129,000 to its defined benefit pension scheme in 2016. The actuarial gains and losses for the current period (£895,000 loss) is recognised in the statement of financial activities.

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

	2016 £'000	2015 £'000
Opening defined benefit obligation	1,776	1,465
Current service cost	199	205
Interest cost	72	64
Estimated benefits paid (net of transfers in)	(35)	(1)
Employee contributions	44	44
Actuarial loss (gain)	<u>966</u>	<u>(1)</u>
At 31 August 2016	<u>3,022</u>	<u>1,776</u>

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

	2016 £'000	2015 £'000
Opening balance	779	601
Interest cost	34	27
Return on plan assets (excluding net interest on the defined Pension liability)	71	(11)
Estimated benefits paid (net of transfers in)	(35)	(1)
Employer contributions	121	119
Employee contributions	<u>44</u>	<u>44</u>
At 31 August 2016	<u>1,014</u>	<u>779</u>

29. FINANCIAL INSTRUMENTS

Financial assets held at amortised value include cash, trade debtors and other debtors. Financial Liabilities held at amortised value include pension deficit, trade creditors, other taxation and social security and accruals.

Financial assets give rise to interest received of £2,642.

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FOR THE YEAR ENDED 31 AUGUST 2015

30. COMPARATIVE 2015 STATEMENT OF FINANCIAL ACTIVITIES

	Un- restricted Funds	Restricted Funds General	Restricted Fixed Asset Funds	2015 Total
	£	£	£	£
Income and endowments from:				
Donations	-	71,871	814,955	886,826
<i>Charitable activities:</i>				
Funding for the Academy's educational operations	-	5,971,439	-	5,971,439
Other trading activities	180,605	-	-	180,605
Investments	<u>1,985</u>	<u>-</u>	<u>-</u>	<u>1,985</u>
Total	<u>182,590</u>	<u>6,043,310</u>	<u>814,955</u>	<u>7,040,855</u>
Expenditure on:				
Raising funds	92,266	7,537	-	99,803
<i>Charitable activities:</i>				
Academy's educational operations	-	5,899,964	243,780	6,143,744
Total	<u>92,266</u>	<u>5,907,501</u>	<u>243,780</u>	<u>6,243,547</u>
Net income	90,324	135,809	571,175	797,308
Gross transfers between funds	<u>-</u>	<u>(61,964)</u>	<u>61,964</u>	<u>-</u>
Other recognised gains and losses				
Pension scheme deficit brought forward on conversion				-
Actuarial (losses) on defined benefit pension schemes	<u>-</u>	<u>(10,000)</u>	<u>-</u>	<u>(10,000)</u>
Net movement in funds	90,324	63,845	633,139	787,308
Funds brought forward at 1 September 2014	<u>256,118</u>	<u>(484,812)</u>	<u>11,862,773</u>	<u>11,634,079</u>
Funds carried forward at 31 August 2015	<u>346,442</u>	<u>(420,967)</u>	<u>12,495,912</u>	<u>12,421,387</u>

NEWBURY ACADEMY TRUST
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2016

31. FIRST TIME ADOPTION OF CHARITIES SORP (FRS 102)

These financial statements are the first financial statements of Newbury Academy Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Newbury Academy Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Explanation of transition to FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The only impact from transition was to the split between the actuarial gains or losses and the additional costs incurred from the scheme. The 31 August 2015 actuarial loss has been reduced by £14,000 to £10,000 with a corresponding increase to pension costs for the same amount. This has no impact on the restricted pension liability fund of £997,000.