

# **NEW ACADEMIES TRUST**

(a company limited by guarantee)

## **Report and Financial Statements For the Year ended 31 August 2015**



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COMPANIES HOUSE

**Company Number: 08270694**

# New Academies Trust

Financial Statements for the year ended 31 August 2015

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# New Academies Trust

## Reference and Administrative Details

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### Members

Prof. D J Muller (resigned 28/02/15)  
R E Fern (resigned 28/02/15)  
M A Gleave (resigned 28/02/15)  
C Bush (appointed 01/03/15)  
G Peile (appointed 01/03/15)  
L Adams (appointed 01/03/15)  
M Lloyd (appointed 01/03/15)

### Trustees

Dr R C Nicol – Chair (resigned 28/02/15)  
Prof. D J Muller – Chief Exec. (resigned 28/02/15)  
R E Fern (resigned 28/02/15)  
A G H Fell (resigned 31/10/14)  
M A Gleave (resigned 28/02/15)  
C P Bushby (resigned 28/02/15)  
C Bush – Chair (appointed 01/03/15)  
G Peile – Vice-Chair (appointed 01/03/15)  
L Adams (appointed 01/03/15)  
C D'Cunha (appointed 01/03/15)  
M Lloyd (appointed 01/03/15)

### Company Secretary

M J Harnden (resigned 28/02/15)  
K Jarvis (appointed 01/03/15)

### Senior Management Team

#### Principal

A G H Fell (resigned 31/10/14)

#### Interim Principal

C D'Cunha (appointed 23/02/15)

#### Deputy Principal

S Potter (appointed 03/11/14, resigned 22/02/15)

#### Director of Learning

K Jones (appointed 03/11/14, resigned 19/12/14)

#### Director of Learning

J Daniels (resigned 31/10/14)

#### Director of Learning

K Greenwood

#### Director of Learning

K Howes

#### Director of Business Services

A Cleary

T Stannard

A Weatherby

### Registered Office

Suffolk New College (to 28/02/15)  
Rope Walk  
Ipswich  
Suffolk  
IP4 1LT

Chesterton Primary School (from 01/03/15)  
Green End Road  
Cambridge  
CB4 1RW

# New Academies Trust

## Reference and Administrative Details

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<b>Company Registration Number</b>	08270694 – England & Wales
<b>Independent Auditor</b>	RSM UK Audit LLP Abbotsgate House Hollow Road Bury St Edmunds Suffolk IP32 7FA
<b>Bankers</b>	Lloyds Bank plc. Cornhill Ipswich Suffolk IP1 1DG
<b>Solicitors</b>	Gotelee Solicitors (until 28/02/15) 31 – 41 Elm Street Ipswich Suffolk IP1 2AY  Mullis & Peake LLP (from 01/03/15) 8-10 Eastern Road Romford Essex RM1 3PJ

# New Academies Trust

## Trustees' Report

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The Trustees present their annual report together with the financial statements and auditor's reports of the charitable company for the year ended 31 August 2015.

During the year under review, the Trust operated an Academy for pupils aged 11 to 16 serving a catchment area in Ipswich. It has a pupil capacity of 825 and had a roll of 657 (2013: 665) in the school census dated 2 October 2014.

### Structure, Governance and Management

#### Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Academy Trust. The Trustees of New Academies Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as New Academies Trust.

The Academy Trust traded as Suffolk New Academy throughout the whole of the year. Effective 1 September 2015, all assets transferred to the Active Learning Trust and the Academy name changed to Chantry Academy. From this date New Academies Trust became a company with no trading activities.

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

#### Member's 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 amounts as may be required, not exceeding £10, for the debts and liabilities contracted before they ceased to be a member.

#### Trustees' Indemnities

Throughout the year Professional Indemnity Insurance, Governors and Trustee's Liability Insurance and Fidelity Guarantee Insurance was in place. The cost of this insurance was included in the total insurance cost.

#### Method of Recruitment and Appointment or Election of Trustees

As Directors of the Charitable Company, Trustees are appointed in line with the Articles of Association of the Charitable Company. The Trust is entitled to appoint any number of Trustees, with no maximum. As a minimum, the Trust is required to have the Principal of the Sponsor, the Academy Principal, the Chair of the local Governing Body, and up to 10 Directors appointed by the Sponsor.

The Trustees bring a range of experience in education and in the management of charitable companies. In searching for any future Trustees these qualities will be key aspects of the selection process.

# New Academies Trust

## Trustees' Report

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### **Policies and Procedures Adopted for the Induction and Training of Trustees**

There are no formal training and induction plans in place, as all Trustees are considered to have relevant experience.

### **Organisational Structure**

The Trust is overseen by a Board of Trustees. These Trustees as the Governing Body of New Academies Trust make certain decisions whereas other elements are delegated to the Principal.

The Trust is required to approve the capital and annual revenue budgets, but the day-to-day control is delegated to the Principal to the limit of £25,000.

All other powers are reserved by the Trust.

### **Connected Organisations including Related Party Relationships**

Up to 28 February 2015, Suffolk New College as sponsor provided a number of services to the Trust. Provided at cost, in support of the Trust's charitable activities, these services were Human Resources support, Finance support, IT support, Facilities support (including cleaning), and Health and Safety support.

Effective 1 March 2015, the services detailed above ceased and all staff directly employed in support of the Trust were TUPE'd to New Academies Trust and relocated to Suffolk New Academy where their role/services continued under the direct management of the Academy Trust. New service level agreements were negotiated between New Academies Trust and Suffolk New College such that payroll and accountancy services continued to 31 August 2015, including statutory accounts preparation.

### **Risk Management**

The Trustees have considered the major risks to which the Charitable Company is exposed, and have reviewed those risks and established systems and procedures to manage those risks.

### **Objectives and Activities**

#### **Objects and Aims**

The objects of the Academy Trust throughout the year were:

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, carrying on, managing and developing schools offering a broad and balanced curriculum.

To promote for the benefit of the inhabitants of Ipswich and the surrounding area, the provision of facilities for recreation or other leisure time occupation of individuals who have needs of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

Our vision to achieve these objectives is to provide learning that ensures everyone has the skills to be versatile, the opportunities to exceed their aspirations, the knowledge to be learned, the empathy to be understanding, the enthusiasm to be engaged and the encouragement to be determined. Our community is always VALUED. This vision is underpinned by our 5 core beliefs.

# New Academies Trust

## Trustees' Report

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- Every child wants to be successful
- No barriers to learning
- No excuse for poor progress
- We get what we expect
- Learning is our core purpose

### Objectives, Strategies and Activities

The Trust converted Chantry High School to an Academy on 1 February 2013.

A key objective is to work towards achieving growth in academic performance at the Academy. Our main priorities for development have been identified by the last section 5 inspection in December 2014 and are as follows.

Improve the quality of teaching and accelerate students' progress, particularly of the most able students, by:

- raising teachers' expectations of how much students can achieve, how well they should present their work and their standards of behaviour, especially in mathematics
- focusing more closely on helping students to acquire and use the basic skills of communication, literacy and numeracy, and ensuring that these skills are taught in subjects other than English and mathematics
- marking students' work in such a way that they are clear about how well they have done and what they need to do to improve it.

Revise the curriculum in order to:

- ensure there is sufficient time allocated for the core subjects of English and mathematics
- provide a curriculum that builds upon students' prior knowledge and skills, especially in Key Stage 4

Improve the behaviour and attendance of students by:

- eradicating poor behaviour in lessons to ensure that students' opportunities to learn are not compromised through noisy and persistent disruption
- all staff challenging poor behaviour around the Academy and dealing with it according to the Academy's agreed procedures
- developing systems to encourage good attendance

Revise the performance management programme within the Academy to ensure that all teachers have clear targets that relate to the success of their students so that they can be held to account for their students' achievement.

Improve the effectiveness of leadership and management by:

- developing robust systems for reviewing and evaluating the quality of teaching and students' achievement to provide leaders with a clear and accurate picture of the Academy's effectiveness
- using the results of these evaluations to draw up sharply focused plans for improvement.

Communicate more effectively with parents and take action to restore their confidence in the Academy.

Make more effective use of the Pupil Premium funds to improve the achievement of disadvantaged students.

Undertake an external review of governance, including the Academy's use of the pupil premium, in order to assess how this aspect of leadership and management may be improved.

# New Academies Trust

## Trustees' Report

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### Public benefit

The Trustees have complied with their duty to have due regard to exercising their powers to ensure that the Trust complies with Charity Commission guidance on public benefit in regards to its charitable activities.

Suffolk New Academy (now Chantry Academy) continues to strive to provide high quality education to its students. In addition, the Academy has a thriving community offer which offers a wide range of activities to the general public.

### Strategic Report

#### Achievements and Performance

Suffolk New Academy was placed into Special Measures in December 2014 following an Ofsted inspection which graded the school inadequate in every section. Since then there has been a change of sponsorship, a new Principal appointed and two Section 8 monitoring inspections undertaken.

The latest Section 8 inspection during June 2015 stated that the Academy was making reasonable progress towards the removal of Special Measures. Summer results for year 11 improved by 22% from 24% A\*-C including English and maths to 46%. The expected levels of progress for English increased by 9% to 59% and mathematics increased by 23% to 53%.

In September 2015, the Academy moved into its brand new facilities, provided under the Education Funding Agency's Priority Schools Building Programme.

#### Financial Review

The Academy Trust benefits from the majority of its funding coming from the Education Funding Agency and Suffolk County Council. To a large extent, the government funding is driven by the number of students on roll and the Academy has been subject to a falling roll, which presents challenge going forward although the pupil roll trend is now a rising one, with the September 2015 intake at 170 (capacity 180).

During the year ended to 31 August 2015, recurrent educational expenditure exceeded GAG income by £171,000 however this was covered by the balance brought forward from previous periods of £397,000 leaving a remaining balance carried forward of £226,000 for utilisation in future periods, together with a healthy unrestricted funds balance of £1,078,000. The in year deficit of £125,000 (excluding depreciation) was majorly due to staff restructuring costs (necessary in order to best position the Academy to meet the financial challenges ahead), and legal costs associated with employment legal advice, withdrawal of Suffolk New Academy as sponsor, and the complete change in Trustees including due diligence processes.

The Academy is confident that with careful management and a robust system of internal control it would continue to be able to meet its costs and the objectives of the Academy as a whole.



# New Academies Trust

## Trustees' Report

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### Reserves policy

The Trust did not have a formalised reserves policy as at 31 August 2015; however this will be addressed with the transfer of Suffolk New Academy to The Active Learning Trust.

The level of free reserves at 31 August 2015 was £641,000 (2014 £1,192,000). During the year, £630,000 unrestricted funds was committed in relation to the costs (both capital and revenue) of the new Academy premises.

The only fund in deficit is the pension reserve fund which has a deficit balance of £1,080,000 (2014: £995,000)

### Investment Policy

The Trust has an approved Treasury Management Policy which sets out how surplus funds are to be invested. Its primary aim is to ensure that any surplus funds are invested prudently to seek to achieve a good return whilst ensuring above all else that the need to protect the capital sum.

### Key Performance Indicators

The Academy Trust has the following key performance indicators:

- Unrestricted funds £1,078,000 (2014: £1,192,000);
- Restricted general funds (£790,000) (2014: (£550,000) of which (£1,080,000) (2014: (£995k)) relates to pension deficit leaving £290,000k (2014: £445,000) as other restricted funds carried forward;
- GAG spend in the year was £4,155,000 against GAG income of £3,984,000 which has meant that £171,000 of GAG carried forward was required to be spent in this period
- Pupil numbers 657 (2014: 665)
- Total staff costs were £3,537,000 which as a percentage of GAG is 88.8%. Some of these staff costs were supported by other grant funding, including Pupil Premium

### Plans for Future Periods

New Academies Trust, as a company, has ceased trading and will be wound up once the 2015 financial statements have been audited, signed off and submitted to Companies House. All assets have been transferred to Active Learning Trust on 1 September 2015 and Suffolk New Academy has been renamed as Chantry Academy.

Alongside the key improvement points from the Section 5 inspection in December 2014 the following are the Academy's key priorities as identified through its own self-evaluation:

- increase the attainment and progress of mathematics across all year groups
- ensure the leadership within Mathematics is effective at raising attainment
- improve the attainment, progress and behaviour of the students within cohort 2017
- effectively embed the new systems within the new building
- develop the leadership team by improving CPD, communication and accountability

# New Academies Trust

## Trustees' Report

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### Principal Risks and Uncertainties

The Academy remains in Special Measures however the quality of teaching remains inconsistent. This will be mitigated by:

- the effective monitoring and evaluating of the impact of teaching;
- the use of a full impact analysis of the teacher with each group;
- the redesign of the performance management targets so that they relate to the quality of teaching and access to CPD. Regular bespoke CPD;
- support from the new sponsors through Nick Asker (Mathematics), Trevor Folley (T&L), Clive Bush (Leadership) and Marilyn Toft (Behaviour and Attendance).

### Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy has adequate resources to continue in operational existence for the foreseeable future. However, since the Academy transferred out of New Academies Trust, into Active Learning Trust as at 1 September 2015, New Academies Trust will be wound up once all statutory requirements pertaining to the year ended 31 August 2015 have been satisfied. As such, these financial statements have not been prepared on a going concern basis.

Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

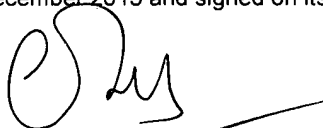
### Auditors

RSM UK Audit LLP will resign as auditors upon completion of the audit for the year ended 31 August 2015, ahead of the winding up of New Academies Trust, following the transfer of the Academy into The Active Learning Trust.

### Statement as to Disclosure of Information to the Auditors

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

The Trustees' report is approved by order of the Board of Trustees and the strategic report (included therein) is approved by the Board of Trustees in their capacity as the Directors at a meeting on 10 December 2015 and signed on its behalf by:



**Mr C Bush**  
Chair of Trustees

# New Academies Trust

## Governance Statement

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### Scope of Responsibility

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

The Board of Trustees has delegated the day to day responsibilities to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between New Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees and material weaknesses of breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees has formally met eight times during the period.

As at 1 March 2015, all the Trustees resigned and were replaced by the new Principal of Suffolk New Academy and four Trustees drawn from the Active Learning Trust.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
<i>Up to 28 February 2015</i>		
Dr R C Nichol (Chair)	5	5
Prof D J Muller	5	5
M A Gleave	4	5
R E Fern	5	5
A G H Fell	2	2
C P Bushby	5	5
<i>From 1 March 2015</i>		
C Bush (Chair)	3	3
G Peile	3	3
L Adams	3	3
M Lloyd	3	3
C D'Cuhna (Principal and Accounting Officer)	3	3

### Governance reviews

At the New Academies Trust Board meeting on 10 November 2014, following a review of governance, the Trustees agreed to disband the Local Governing Body of Suffolk New Academy and implement a new committee structure. With the exception of a new Performance and Attainment Committee, all local governance responsibility was assumed by the Trustees.

# New Academies Trust

## Governance Statement

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In addition, the Audit Committee was a sub-committee of the main Board of Trustees. Its purpose was to:

- advise the Academy Trust on the adequacy and effectiveness of the systems of internal control and its arrangements for risk management control and governance processes, and for securing economy, efficiency and effectiveness (value for money);
- monitor and assess the performance of, and advise the Academy Trust on the appointment, performance, reappointment, dismissal and remuneration of the Auditors;
- consider and advise the Academy Trust on, the annual financial statements;
- produce an annual audit report for the Academy Trust and Accounting Officer, which should include the Committee's advice on the effectiveness of risk management, control and governance processes.
- ensure that all allegations of fraud and irregularity are properly investigated.

Trustee attendance at meetings of the Audit Committee in the year was as follows:

Trustee	Meetings attended	Out of a possible
C P Bushby	1	1
R E Fern	1	1

Following the withdrawal of Suffolk New College as sponsor and the change of Trustees on 1 March 2015, the new Trustees of New Academies Trust operated as the Governing Body in all matters, including monitoring the effectiveness of the financial spend, monitoring the progress of the building and premises and holding the school leadership to account for the attainment and progress of students.

A full governance review will take place under the Active Learning Trust in the coming year.

### Review of Value for Money

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by:

- improving the quality of teaching;
- improving the outcomes for students in year 11;
- improved progress measures within the core subjects;
- reviewing pupil premium spending;
- restructuring staff roles to adjust TLRs, job roles and address budget challenges;
- implemented targeted intervention strategies

### The Purpose of the System of Internal Control

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

# New Academies Trust

## Governance Statement

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### Capacity to Handle Risk

The Board of Trustees 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 Board of Trustees is of the view that there is an on-going process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements

### 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 budgeted and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the finance and employment, and audit committees 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;

The Board of Trustees has considered the need for a specific internal audit function and has decided:

- not to appoint an internal auditor. The intention was to utilise RSM UK in a separate and discrete independent checking role to undertake a range of checks on the Academy Trust's financial systems, however due to other priorities as referenced elsewhere in this report, no such exercise took place during the year.

### Review of Effectiveness

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

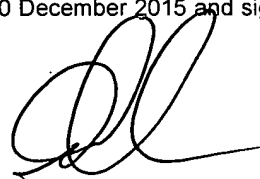
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 10 December 2015 and signed on its behalf by:



**Mr C Bush**  
Chair of Trustees



**C D'Cunha**  
Accounting Officer

# New Academies Trust

## Statement on Regularity, Propriety and Compliance

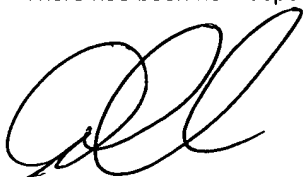
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As Accounting Officer of New Academies Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency of any material irregularity, impropriety and non-compliance with EFA terms and conditions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

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

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

- There has been no independent checking in place throughout the year ended 31 August 2015.



**C D'Cunha**  
Accounting Officer  
10 December 2015

# New Academies Trust

## Statement of Trustees' Responsibilities

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The Trustees (who act as governors of New Academies Trust and are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with the Academies Accounts Direction published by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

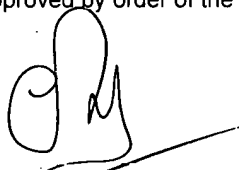
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures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

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

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

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

Approved by order of the Board of Trustees on 10 December 2015 and signed on its behalf by



**C Bush**  
Chair of Trustees

# New Academies Trust

## Independent Auditor's Report on the Financial Statements to the Board of Trustees of New Academies Trust

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We have audited the financial statements of New Academies Trust for the year ended 31 August 2015 on pages 16 to 36. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the 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 charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of Trustees and auditor**

As explained more fully in the Statement of Trustees' Responsibilities set out on page 13, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

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

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

### **Opinion on financial statements**

In our opinion the financial statements:

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

### **Emphasis of matter – basis of accounting and going concern**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in the accounting policies on page 19 of the financial statements considering the company's basis of accounting and going concern. As explained in the accounting policies, the trustees have expressed their intention to wind up the Academy Trust following the transfer on 1 September 2015 of trading activities to another academy trust.

### **Opinion on other requirement of the Companies Act 2006**

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



# New Academies Trust

## Independent Auditor's Report on the Financial Statements to the Board of Trustees of New Academies Trust

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

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

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

RSM UK Audit LLP

### HANNAH CATCHPOOL (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (formerly Baker Tilly UK Audit LLP), Statutory Auditor  
Chartered Accountants  
Abbotsgate House  
Hollow Road  
Bury St Edmunds  
Suffolk  
IP32 7FA

16 December 2015

# New Academies Trust

## Statement of Financial Activities for the Year Ended 31 August 2015

(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total 2015 £000	Total 2014 £000
<b>Incoming resources</b>						
<i>Incoming resources from generated funds:</i>						
Voluntary income - transfer from local authority on conversion	2	-	-	-	-	(12)
Activities for generating funds	3	148	-	-	148	169
Investment income	4	5	-	-	5	10
<i>Incoming resources from charitable activities:</i>						
Funding for the Academy Trust's educational operations	5	19	4,388	-	4,407	4,742
<b>Total Incoming Resources</b>		<b>172</b>	<b>4,388</b>	<b>-</b>	<b>4,560</b>	<b>4,909</b>
<b>Resources expended</b>						
<i>Cost of generating funds</i>						
Costs of activities for generating funds	6	93	-	-	93	101
<i>Charitable activities</i>						
Academy Trust's educational operations	7	19	4,512	2,836	7,367	7,443
Governance costs	8	-	61	-	61	27
<b>Total Resources Expended</b>		<b>112</b>	<b>4,573</b>	<b>2,836</b>	<b>7,521</b>	<b>7,571</b>
<b>Net incoming / (outgoing) resources before transfers</b>		<b>60</b>	<b>(185)</b>	<b>(2,836)</b>	<b>(2,961)</b>	<b>(2,662)</b>
Gross transfers between funds	16	(174)	-	174	-	-
<b>Net income / (expenditure) for the year</b>		<b>(114)</b>	<b>(185)</b>	<b>(2,662)</b>	<b>(2,961)</b>	<b>(2,662)</b>
<b>Other recognised gains &amp; losses</b>						
Actuarial losses on defined benefit pension scheme		-	(55)	-	(55)	(334)
<b>Net movement in funds</b>		<b>(114)</b>	<b>(240)</b>	<b>(2,662)</b>	<b>(3,016)</b>	<b>(2,996)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		1,192	(550)	3,463	4,105	7,101
<b>Total funds carried forward</b>	16	<b>1,078</b>	<b>(790)</b>	<b>801</b>	<b>1,089</b>	<b>4,105</b>


On 1 September 2015 all activities of the only school within New Academies Trust, Suffolk New Academy, transferred to the Active Learning Trust, therefore all activities in the current year represent discontinued activities for New Academies Trust.

**New Academies Trust**  
Balance Sheet as at 31 August 2015

Company Number: 08270694

	Note	2015 £000	2015 £000	2014 £000	2014 £000
<b>Fixed assets</b>					
Tangible assets	12		801		3,463
<b>Current assets</b>					
Debtors	13	702		184	
Cash at bank and in hand		<u>920</u>		<u>1,876</u>	
		1,622		2,060	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	14	<u>(254)</u>		<u>(373)</u>	
<b>Total assets less current liabilities</b>			1,368		1,687
Less: Creditors amounts falling due after more than one year	15		<u>-</u>		<u>(50)</u>
<b>Net assets excluding pension liability</b>			2,169		5,100
Pension scheme liability	26		<u>(1,080)</u>		<u>(995)</u>
<b>Net assets including pension liability</b>			<u>1,089</u>		<u>4,105</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>					
- Fixed asset fund	16	801		3,463	
- General fund	16	<u>290</u>		<u>445</u>	
Restricted funds excluding pension reserve		1,091		3,908	
Pension reserve	16	<u>(1,080)</u>		<u>(995)</u>	
<b>Total restricted funds</b>			11		2,913
<b>Total unrestricted funds</b>	16		<u>1,078</u>		<u>1,192</u>
<b>Total funds</b>			<u>1,089</u>		<u>4,105</u>

The financial statements on pages 16 to 36 were approved by the Trustees, and authorised for issue on 10 December 2015 and are signed on their behalf by:



**Mr C Bush**  
Chair of Trustees

# New Academies Trust

Cash Flow Statement for the year ended 31 August 2015

	Notes	2015 £000	2014 £000
<b>Net cash (outflow) / inflow from operating activities</b>	20	<b>(811)</b>	153
Returns on investments and servicing of finance	21	5	10
Capital expenditure	22	(77)	-
Financing	23	(73)	(24)
		<u>          </u>	<u>          </u>
<b>(Decrease) / increase in cash in the year</b>	<b>24</b>	<b><u>(956)</u></b>	<b><u>139</u></b>

<b>Reconciliation of net cash flow to movement in net funds</b>	<b>£000</b>	<b>£000</b>
(Decrease) / increase in cash in the year	(956)	139
Cash outflow from change in funds	<u>73</u>	<u>24</u>
Change in funds resulting from cashflows	(883)	163
Net debt acquired on conversion	<u>-</u>	<u>(12)</u>
Movement in net funds	(883)	151
Net funds at start of year	<u>1,803</u>	<u>1,652</u>
<b>Net funds at 31 August</b>	<b><u>920</u></b>	<b><u>1,803</u></b>

# New Academies Trust

## Notes to the Financial Statements for the year ended 31 August 2015

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### 1 Statement of Accounting Policies

#### **Basis of Preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Statement of Recommended Practice ('SORP 2005') 'Accounting and Reporting by Charities', the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency and Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

#### **Basis of accounting and going concern**

As set out in note 28, as at 1 September 2015, the New Academies Trust transferred Suffolk New Academy being its trade, assets and liabilities into the Active Learning Trust, and ceased trading activities at that date. New Academies Trust will be wound up once all statutory requirements pertaining for the year ended 31 August 2015 have been satisfied. The financial statements have been prepared on the basis that Academy Trust is no longer a going concern. No adjustments arose as a result of ceasing to apply the going concern basis, as all assets and liabilities were transferred at their carrying amounts.

#### **Incoming Resources**

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **Grants Receivable**

Grant income is included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of entitlement is recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

- **Sponsorship Income**

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

- **Donations**

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

- **Other Income**

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

- **Donated Goods, Facilities and Services and Gifts in Kind**

The value of donated services and gifts in kind provided to the Academy Trust 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 Trust's accounting policies.

# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

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## 1 Statement of Accounting Policies (continued)

- **Interest Receivable**

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

### **Resources expended**

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

- **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.

- **Governance Costs**

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

All resources expended are inclusive of irrecoverable VAT.

### **Tangible fixed assets**

Tangible fixed assets costing £1,000 or more are capitalised at cost and are carried at cost net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than leasehold land, at rates calculated to write off the cost of each asset over its expected useful lives, as follows:

Leasehold buildings	2 years 7 months straight line *
Motor Vehicles	3 years straight line (on conversion)
Other Furniture and Equipment	5 years straight line **

\* This is down to timing of when Suffolk New Academy is due to be completely rebuilt with funding from the EFA.

\*\* This date is stated when the asset is new, applied pro-rate on conversion.

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

# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

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## 1 Statement of Accounting Policies (continued)

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 that carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

### Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

### Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 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 Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

### Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings Related Pension Scheme ('SERPS') (until April 2016) and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 26, 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 as they are paid each year.

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.

### Fund accounting

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

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

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

# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

## 2 Voluntary Income - transfer from local authority on conversion

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Loans transferred	-	-	-	(12)
	-	-	-	(12)

## 3 Activities for Generating Funds

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Hire of facilities	132	-	132	154
Other income	16	-	16	15
	148	-	148	169

## 4 Investment Income

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
Short term deposits	5	-	5	10
	5	-	5	10

## 5 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £000	Restricted Funds £000	Total 2015 £000	Total 2014 £000
<b>DfE / EFA Grants</b>				
- General annual grant (GAG)	-	3,984	3,984	4,225
- Start Up Grants	-	-	-	91
- Capital Grants	-	15	15	15
- Pupil Premium	-	308	308	330
- Other DfE / EFA grants	-	12	12	-
	-	4,319	4,319	4,661
<b>Other Government Grants</b>				
- Local authority grants	-	52	52	47
- Other grants	-	17	17	20
	-	69	69	67
<b>Other Income</b>				
- Income from trips and visits	19	-	19	14
	19	-	19	14
	19	4,388	4,407	4,742



# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

## 6 Resources Expended

	Staff Costs £000	Non Pay Premises £000	Expenditure Other Costs £000	Total 2015 £000	Total 2014 £000
Costs of activities for generating funds	72	12	9	93	101
Academy's educational operations					
- Direct costs	3,128	-	257	3,385	3,279
- Allocated support costs	409	213	3,360	3,982	4,164
	<u>3,609</u>	<u>225</u>	<u>3,626</u>	<u>7,460</u>	<u>7,544</u>
Governance costs including associated support costs	-	-	61	61	27
	<u>3,609</u>	<u>225</u>	<u>3,687</u>	<u>7,521</u>	<u>7,571</u>

Net incoming/(outgoing) resources for the year are stated after charging:

	2015 £000	2014 £000
Operating leases	16	12
Fees payable to RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) and its associates for:		
- audit	13	12
- comparison study	10	-
- other services	<u>2</u>	<u>3</u>

# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

## 7 Charitable Activities

	Total 2015 £000	Total 2014 £000
<b>Direct costs</b>		
Teaching and education support staff costs	2,982	2,949
Agency staff costs	146	105
Educational supplies	111	119
Examination fees	44	46
Staff development	39	27
Educational consultancy	26	17
Other direct costs	37	16
	<u>3,385</u>	<u>3,279</u>
<b>Support Costs</b>		
Support staff costs	409	279
Depreciation	2,836	2,836
Technology costs	47	58
Recruitment and support	32	13
Maintenance of premises	59	107
Cleaning	3	5
Rent and rates	7	29
Energy costs	94	93
Insurance	50	77
Security and transport	-	1
Catering	77	81
FRS17 financing cost	6	13
Other support costs	362	572
	<u>3,982</u>	<u>4,164</u>
	<u>7,367</u>	<u>7,443</u>

## 8 Governance Costs

	2015 £000	2014 £000
Legal and professional fees	35	15
Auditors remuneration		
- Audit of financial statements	26	12
	<u>61</u>	<u>27</u>

# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

## 9 Staff particulars

	2015 £000	2014 £000
<b>a. Staff costs</b>		
Staff costs during the year were:		
Wages and salaries	2,718	2,713
Social security costs	187	192
Pension costs (including FRS17 adjustments)	446	403
	<u>3,351</u>	<u>3,308</u>
Supply staff costs	146	105
Staff restructuring costs	112	1
	<u>3,609</u>	<u>3,414</u>

## b. Staff severance payments

Included in staff restructuring costs are the non-statutory/non-contractual severance payments totalling £nil (2014: £1,165). Individually the payments were: £nil (2014: £1,165)

## c. Staff numbers

The average number of persons (including senior management team) employed by the Academy during the year expressed as headcount was as follows:

	2015 No.	2014 No.
<b>Charitable Activities</b>		
Teachers	47	50
Administration and support	79	68
Management	6	7
	<u>132</u>	<u>125</u>

## d. Higher paid staff

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

	2015 No.	2014 No.
£60,001 - £70,000	-	1
£80,001 - £90,000	-	1
	<u>-</u>	<u>1</u>

None of the above employees participated in the Teachers' Pension Scheme, which is a defined benefit scheme (2014: 2 employees)

# New Academies Trust

## Notes to the Financial Statements for the year ended 31 August 2015

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### 10 Related Party Transactions - Trustees' Remuneration & Expenses

The Principal only receives remuneration in respect to the service that they provide undertaking the role of Principal, and not in respect of their services as a Trustee. Other Trustees did not receive any payments other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration was as follows:

C D'Cunha (Principal and Trustee) - from 23 Feb 15  
Remuneration £44,221 (2014: £nil)  
Employers pension contributions £5,953 (2014: £nil)

A Fell (Principal and Trustee) - until 31 Oct 14  
Remuneration £13,982 (2014: £83,061)  
Employers pension contributions £1,971 (2014: £11,712)

The above figures include Teachers' Pensions contributions, which is a defined benefit scheme.

During the year ended 31 August 2015, travel and subsistence expenses totalling £171 (2014: £201) were reimbursed to 3 trustees (2014: 1 trustee).

Other related party transactions involving the Trustees are set out in note 27.

### 11 Trustees' and Officers' Insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim, and the cost for the year ended 31 August 2015 was £5,671 (2014: £5,671).

The cost of this insurance is included in the total insurance cost.

# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

## 12 Tangible Fixed Assets

	Leasehold Land and Buildings £000	Furniture and Equipment £000	Motor Vehicles £000	Total £000
<b>Cost</b>				
At 1 September 2014	7,930	22	4	<b>7,956</b>
Additions	-	174	-	<b>174</b>
At 31 August 2015	<u>7,930</u>	<u>196</u>	<u>4</u>	<u><b>8,130</b></u>
<b>Depreciation</b>				
At 1 September 2014	4,478	13	2	<b>4,493</b>
Charged in year	2,829	6	1	<b>2,836</b>
At 31 August 2015	<u>7,307</u>	<u>19</u>	<u>3</u>	<u><b>7,329</b></u>
<b>Net book values</b>				
As at 31 August 2015	<u><b>623</b></u>	<u><b>177</b></u>	<u><b>1</b></u>	<u><b>801</b></u>
As at 31 August 2014	<u>3,452</u>	<u>9</u>	<u>2</u>	<u>3,463</u>

A new academy site is being built by the EFA through the 'Priority Build Scheme'. It was handed over on 01/09/15. It will therefore feature in the accounts for the Active Learning Trust next year.

# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

## 13 Debtors

	2015 £000	2014 £000
Trade debtors	10	7
VAT recoverable	132	66
Other debtors	2	-
Prepayments and accrued income	558	111
	<u>702</u>	<u>184</u>

## 14 Creditors: Amounts falling due within one year

	2015 £000	2014 £000
Trade creditors	110	138
Taxation and social security	-	58
Other creditors	-	53
Accruals and deferred income	144	101
Salix loans	-	19
Caterlink loans	-	4
	<u>254</u>	<u>373</u>

### Deferred Income

Deferred income at 1 September	40	69
Resources deferred in the year	27	40
Amounts released from previous periods	(40)	(69)
Deferred income at 31 August	<u>27</u>	<u>40</u>

Deferred income relates to SEN funding that is not due until the coming financial year, and a trip to Berlin/Krakow that is not due until March 16.

## 15 Creditors: Amounts falling due after more than one year

	2015 £000	2014 £000
Salix loans	-	46
Caterlink loans	-	4
	<u>-</u>	<u>50</u>

Loans are repayable as follows:

Between one and two years	-	23
Between two and five years	-	27
	<u>-</u>	<u>50</u>

# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

## 16 Funds

	Balance at 1 September 2014 £000	Incoming Resources £000	Resources Expended £000	Gains, Losses and Transfers £000	Balance at 31 August 2015 £000
<b>Restricted general funds</b>					
General Annual Grant (GAG)	397	3,984	(4,155)	-	226
Pupil Premium	-	308	(308)	-	-
Devolved formula capital grant	15	15	-	-	30
Other government grants	-	81	(81)	-	-
Activities for All / Enrichment	33	-	1	-	34
	<u>445</u>	<u>4,388</u>	<u>(4,543)</u>	<u>-</u>	<u>290</u>
Pension reserve	(995)	-	(30)	(55)	(1,080)
	<u>(550)</u>	<u>4,388</u>	<u>(4,573)</u>	<u>(55)</u>	<u>(790)</u>
<b>Restricted fixed asset funds</b>					
Amounts transferred from LA upon conversion	3,463	-	(2,836)	-	627
Capital expenditure post conversion	-	-	-	174	174
	<u>3,463</u>	<u>-</u>	<u>(2,836)</u>	<u>174</u>	<u>801</u>
<b>Total restricted funds</b>	<u>2,913</u>	<u>4,388</u>	<u>(7,409)</u>	<u>119</u>	<u>11</u>
<b>Unrestricted funds</b>					
Unrestricted funds	1,192	172	(112)	(174)	1,078
<b>Total unrestricted funds</b>	<u>1,192</u>	<u>172</u>	<u>(112)</u>	<u>(174)</u>	<u>1,078</u>
<b>Total funds</b>	<u>4,105</u>	<u>4,560</u>	<u>(7,521)</u>	<u>(55)</u>	<u>1,089</u>

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

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the GAG that it could carry forward at 31 August 2015.

The Pension reserve represents the Academy's net liability in respect of the Local Government Pension Scheme.

The Pupil Premium income represents an additional grant to support those students on free school meals and who are from service families. Costs incurred for this purpose, such as additional teaching and support staff expenses, have been set off against this income.

Other DfE/EFA grants, including Start-up grant and devolved formula capital grant, represents funding received from the Department for Education or Education Funding Agency for a particular purpose. Relevant costs have been offset against this income.

Other government grants represents funding received from non-DfE/EFA governmental bodies for a particular purpose. Relevant costs have been offset against this income.

# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

## 16 Funds (continued)

Activities for all income and expenditure represents monies received and expended on subsidising activities for all projects and enrichment projects across the Academy.

Assets transferred from the LA on conversion represent the leasehold land and buildings and other assets transferred from the predecessor school upon becoming an Academy. Expenditure during the year of £2,836k is in respect of depreciation on these transferred assets.

Capital expenditure post conversion represents the additions to capital for the new campus site. The expenditure on these items will not come into service until next year, therefore they have not been depreciated in this year.

## 17 Analysis of Net Assets between Funds

Fund balances at 31 August 2015 are represented by:

	Unrestricted Funds £000	Restricted General Funds £000	Restricted Fixed Asset Funds £000	Total Funds £000
Tangible fixed assets	-	-	801	801
Net current assets	1,078	290	-	1,368
Pension scheme liability	-	(1,080)	-	(1,080)
<b>Total net assets</b>	<b>1,078</b>	<b>(790)</b>	<b>801</b>	<b>1,089</b>

## 18 Capital Commitments

	2015 £000	2014 £000
Contracted for, but not provided in the financial statements	-	246

## 19 Financial Commitments

### Operating Leases

At 31 August 2015 the Aacademy Trust has annual commitments under non-cancellable operating leases as follows:

	2015 £000	2014 £000
<b>Other</b>		
Expiring within one year	1	-
Expiring within two and five years inclusive	-	12
	<b>1</b>	<b>12</b>



# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

## 20 Reconciliation of net outgoing resources to net cash (outflow)/inflow from operating activities

	2015 £000	2014 £000
Net outgoing resources	(2,961)	(2,662)
Depreciation (note 12)	2,836	2,836
Interest receivable (note 4)	(5)	(10)
FRS 17 cost less contributions payable (note 26)	24	(6)
FRS 17 pension finance income (note 26)	6	13
(Increase) / decrease in debtors	(518)	49
Decrease in creditors	(193)	(79)
Loans transferred on conversion	-	12
<b>Net cash (outflow) / inflow from operating activities</b>	<b>(811)</b>	<b>153</b>

## 21 Returns on investments and servicing of finance

Interest received	5	10
<b>Net cash inflow from returns on investment and servicing of finance</b>	<b>5</b>	<b>10</b>

## 22 Capital expenditure

Purchase of tangible fixed assets	(77)	-
<b>Net cash outflow from capital expenditure</b>	<b>(77)</b>	<b>-</b>

## 23 Financing

Loans repaid	(73)	(24)
<b>Net cash outflow from financing</b>	<b>(73)</b>	<b>(24)</b>

## 24 Analysis of changes in net funds

	At 1 September 2014 £000	Cash Flows £000	Non-Cash Movements £000	At 31 August 2015 £000
Cash at bank and in hand	1,876	(956)	-	920
Debt due within one year	(23)	73	(50)	-
Debt due after one year	(50)	-	50	-
	<b>1,803</b>	<b>(883)</b>	<b>-</b>	<b>920</b>

The non-cash movement represents the movement in loans from long-term to short-term.

# New Academies Trust

## Notes to the Financial Statements for the year ended 31 August 2015

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### 25 Member's Liability

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

### 26 Pension and Similar Obligations

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

As described in this note, the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to and did join the Scheme in the year/period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

Contributions amounting to £NIL (2014: £52,528) were payable to the schemes at 31 August 2015 and are included within creditors.

#### Teachers' Pension Scheme

The Teachers' Pensions 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. The TPS is an unfunded scheme and members contribute on a 'pay-as-you-go' basis, and along with employers' contributions, are credited to the Exchequer.

#### Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors.

The latest actuarial valuation was carried out as at 31 March 2012 in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation being published in June 2014. The key elements of the valuation and subsequent consultation are:

- Total liabilities of the Scheme (pensions currently in payment and the estimated costs of future benefits) amounted to £191,500 million.
- Value of the notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £176,000 million.
- Assumed real rate of return is 3.0% in excess of prices and 2.0% in excess of earnings.
- Rate of real earnings growth is assumed to be 2.75%
- Assumed nominal rate of return is 5.06%

During the year the employer contribution rate was 14.1%

# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

## 26 Pension and Similar Obligations (continued)

### Valuation of the Teachers' Pension Scheme

The TPS valuation for 2012 determined an employer rate of 16.4% from 1 September 2015 and an employer cost cap of 10.9%. The employer contribution rate will be payable until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the year amounted to £396,724 (2014: £370,327)

Under the definitions set out in Financial Standards (FRS17) Retirement Benefits, the TPS is a multi-employer pensions scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme.

Accordingly, the Academy Trust has taken the exemption in FRS17 and has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The Academy Trust has set out above the information available on the scheme and the implications for the Academy Trust in terms of the anticipated rates.

### 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 2015 was £253,000 of which employer's contributions totalled £204,000 and employees' contributions totalled £49,000. The agreed contribution rates for future years are 21.3% for employers and for employees the rate is in the range of 5.5% to 7.5% depending on salary level.

Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of an academy closure, outstanding local government pension scheme liabilities would be met by the Department for Education. This guarantee came into force on 18 July 2013.

Principal Actuarial Assumptions	At 31 August 2015 % pa	At 31 August 2014 % pa
Rate of increase in salaries	4.50%	4.40%
Rate of increase for pensions in payment	2.60%	2.60%
Discount rate	3.70%	3.70%
Expected return on Assets	3.70%	5.50%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

The assumed life expectations on retirement at 65 are:

	At 31 August 2015	at 31 August 2014
<i>Retiring today:</i>		
Males	22.40	22.40
Females	24.40	24.40
<i>Retiring in 20 years:</i>		
Males	24.30	24.30
Females	26.90	26.90

# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

## 26 Pension and Similar Obligations (continued)

### Local Government Pension Scheme (continued)

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

	Expected return at 31/08/15	Fair Value at 31/08/15 £000	Expected return at 31/08/14	Fair Value at 31/08/14 £000	Expected return at 31/08/13	Fair Value at 31/08/13 £000
Equities	3.70%	1,283	6.40%	1,100	6.70%	765
Bonds	3.70%	402	3.40%	340	4.10%	233
Property	3.70%	211	4.50%	162	4.70%	100
Cash	3.70%	19	3.30%	16	3.60%	11
<b>Total market value of assets</b>		<b>1,915</b>		<b>1,618</b>		<b>1,109</b>
Present value of scheme liabilities						
- Funded		(2,995)		(2,613)		(1,763)
<b>Deficit in the scheme</b>		<b>(1,080)</b>		<b>(995)</b>		<b>(654)</b>

The actual return on scheme assets was £68,000 (2014: £142,000).

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period.

### Amounts recognised in the statement of financial activities

	2015 £000	2014 £000
Current service cost	228	168
<b>Total operating charge</b>	<b>228</b>	<b>168</b>

### Analysis of pension

Expected return on pension scheme assets	95	72
Interest on pension liabilities	(101)	(85)
<b>Pension finance costs</b>	<b>(6)</b>	<b>(13)</b>

The actuarial gains and losses for the current year are recognised in the SOFA

The cumulative amount of actuarial losses recognised in the statement of recognised gains and losses since the adoption of FRS 17 is a £409,000 loss (2014: £354,000 loss).

# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

## 26 Pension and Similar Obligations (continued)

### Local Government Pension Scheme (continued)

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

	2015 £000	2014 £000
<b>At 1 September</b>	<b>2,613</b>	<b>1,763</b>
Current service cost	228	168
Interest cost	101	85
Employee contributions	49	44
Actuarial losses	28	573
Benefits paid	(24)	(20)
<b>At 31 August</b>	<b>2,995</b>	<b>2,613</b>

Movements in the fair value of Academy Trust's share of scheme assets were as follows:

	2015 £000	2014 £000
<b>At 1 September</b>	<b>1,618</b>	<b>1,109</b>
Employer contributions	204	174
Employee contributions	49	44
Expected return on assets	95	72
Actuarial (losses)/gains	(27)	239
Benefits paid	(24)	(20)
<b>At 31 August</b>	<b>1,915</b>	<b>1,618</b>

The estimated value of employer contributions for year ended 31 August 2016 is £ 172,000

The history of experience adjustments is as follows:

	2015 £000	2014 £000
Present value of defined benefit obligations	(2,995)	(2,613)
Fair value of scheme assets	1,915	1,618
<b>Deficit in the scheme</b>	<b>(1,080)</b>	<b>(995)</b>
Experience adjustments on scheme assets	(27)	239
Experience adjustments on scheme liabilities	1	(193)

# New Academies Trust

Notes to the Financial Statements for the year ended 31 August 2015

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## 27 Related Party Transactions

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arms length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

New Academies Trust was sponsored by Suffolk New College until 28 February 2015. A number of the Members of the Corporation and Senior post-holders were involved as either Governors of the Academy or Members of the Academy Trust. During the year the Academy purchased services to the value of £341,301 (2014: £462,566) and provided Services to the value of £nil (2014: £nil).

At the year end Suffolk New Academy owed Suffolk New College £4,141 (2014: £72,303)

New Academies Trust was not sponsored by anyone during the period 1 March 2015 to 31 August 2015, although it was working closely Active Learning Trust at during that period, and drew a number of trustees from Active Learning Trust. On 1 September 2015, Chantry Academy (the new name for Suffolk New Academy) transferred into the control of the Active Learning Trust MAT.

During the period from 1 March 2015 to 31 August 2015, the Academy Trust purchased services to the value of £20,346 (2014: £nil) from Active Learning Trust.

At the year end, Suffolk New Academy owed Active Learning Trust £nil (2014: £nil)

## 28 Post Balance Sheet Events

On 1 September 2015, Suffolk New Academy transferred out of New Academies Trust and into Active Learning Trust, at which time it also changed its name to Chantry Academy.

Once all statutory requirements pertaining to the year ended 31 August 2015 have been satisfied, New Academies Trust will be wound up.