

REGISTRAR OF COMPANIES

Amaya Trust

Annual Report and Financial Statements

Year to 31 August 2019

Company Limited by Guarantee
Registration Number
09155473 (England and Wales)

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Reference and administrative information

Members	Jasper Corbett Saifulla Mahamroot Ciaran Seymour
Trustees	Martin Christopher Burford (resigned 10 January 2019) Andrew Cartwright (appointed 12 March 2019) Jasper Corbett (resigned 10 January 2019) Stuart Dixon (appointed 10 January 2019) Annie Gammon (appointed 10 January 2019) Alison Kriel (resigned 5 September 2019) Saifulla Mahamroot (resigned 10 January 2019) Bernie McDonnell (appointed 10 January 2019, resigned 28 May 2019) Sakhila Mirza (appointed 17 July 2019) Ehsan Razavizadeh (appointed 12 March 2019) David Valentine (appointed 21 June 2019)
Senior Management Team	
Chief Executive Officer	Alison Kriel (resigned 5 September 2019)
Headteacher	Shelly Ann Malabver-Goulbourne
Deputy Headteacher	Serrantha Bhagwandas
Assistant Headteachers	Nicolette Lewis Katy Sams Linton Williams
School Business Manager	Nichola Ahmed (resigned 1 September 2018)
Registered address	Northwold Primary School Northwold Road London E5 8RN United Kingdom
Company registration number	09155473
Auditor	Buzzacott LLP 130 Wood Street London EC2V 6DL
Bankers	NatWest 20 Amhurst Road London E8 1JW

Trustees' report Year to 31 August 2019

The trustees of Amaya Trust ('the Academy Trust') present their annual report together with the financial statements and the auditor's reports of the charitable company for the year to 31 August 2019. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The financial statements have been prepared in accordance with the accounting policies set out on pages 23 to 27 of the attached financial statements and comply with the Academy Trust's memorandum and articles of association, applicable laws and 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 United Kingdom and Republic of Ireland (FRS 102).

The Academy Trust obtained academy status on 1 April 2015 and these financial statements include the activities of the Academy Trust including its one school, Northwold Primary School, for the year to 31 August 2019.

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 Amaya Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Amaya Trust.

Details of the trustees who served during the year are included in the Reference and administrative information 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' indemnities

Trustees' Indemnity Insurance (including Professional Liability) is procured via the Department for Education's Risk Protection Arrangement (RPA), which provides cover up to £10,000,000.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Trustees

The trustees are directors of the charitable company for the purposes of the Companies Act 2006. The following trustees were in office at 31 August 2019 and served throughout the year except where stated.

Trustee	Appointed	Resigned
Annie Gammon (Chair)	10 January 2019	
Martin Christopher Burford		10 January 2019
Andrew Cartwright	12 March 2019	
Jasper Corbett		10 January 2019
Stuart Dixon	10 January 2019	
Alison Kriel		5 September 2019
Saifulla Mahamroot		10 January 2019
Bernie McDonnell	10 January 2019	28 May 2019
Sakila Mirza	17 July 2019	
Ehsan Razavizadeh	12 March 2019	
David Valentine	21 June 2019	

Following the end of the accounting period to August 2018, there were a number of changes to the Board of Trustees, which are set out in the tables on pages 1 and above.

Method of recruitment and appointment or election of trustees

The election of trustees and the terms of office are laid out in the Articles of Association.

The Board of Trustees was made up of representatives from staff and the community who are elected to serve a four year term. Following a number of resignations of trustees during 2018, new trustees were appointed in January 2019 with a view to seeing Northwold through the process of transferring to a different trust.

Policies and procedures adopted for the induction and training of trustees

The Academy Trust adopts a Trustee Code of Conduct that acts as reference for trustees and outlines the expectations and responsibilities of their role. Appointment of trustees during this accounting period 2018/19 was done with specific attention to skills and experience. Key trustee and director duties have been addressed during board meetings.

Organisational structure

The trustees are responsible for setting overall policy, adopting an annual plan and budget, monitoring the Academy Trust by the use of budgets and making major decisions about the direction of the Academy Trust, capital expenditure and senior staff appointments.

The Board of Trustees has delegated some duties and powers to committees as appropriate which currently includes the Local Governing Body.

During the 2019 calendar year 2019 trustees have held monthly board meetings, with additional meetings linked to choosing the new trust for Northwold.

STRUCTURE, GOVERNANCE AND MANAGEMENT (continued)

Organisational structure (continued)

Appropriate powers and functions are delegated to the Headteacher and include responsibility for the internal organisation, management and control of the Academy Trust, the implementation of all policies approved by the Board of Trustees and the direction of teaching and the curriculum. The Headteacher is the Acting Accounting Officer, if the CEO has been absent.

Arrangements for setting pay and remuneration of key management personnel

The key management personnel of Amaya Trust are the senior management team including the Chief Executive, Headteacher, Deputy Headteacher and Assistant Headteachers. The remuneration of these key personnel (with the exception of the Chief Executive and the Headteacher) is managed, approved and is benchmarked against comparable roles in other schools by the Headteacher in line with the Finance Policies delegation of duties.

The Chief Executive and Headteacher's remuneration is managed by a committee made up of Trustees. Targets are reviewed, data analysed and benchmarked against comparative schools, with a comparable cohort. Recommendations are made based on these reviews and discussions.

Trade union facility time personnel

The Academy Trust did not employ any relevant trade union officials during the year.

Connected organisations, including related party relationships

The Academy Trust maintains a Register of Business Interests for Trustees and the Senior Management Team in order to ensure there is no conflict of interest between business and personal interests and the interests of the Academy Trust. This is subject to annual declaration which is held by the Academy Trust. In addition, at the start of every board and committee meeting, Trustees are asked to declare any changes that may have arisen since their annual declaration. When an interest is declared, Trustees are asked to leave the meeting while a related item is discussed.

OBJECTIVES AND ACTIVITIES

Principal activities

As stated in the Articles of Association, the Academy Trust's objects ("the objects") are specifically restricted to the following:

'The charitable company was created with the objective to advance for the public benefit of education in the United Kingdom, in particular, but without prejudice to the generality of the foregoing by establishing, maintaining, carrying and developing a school offering a broad and balanced curriculum ("the Academy Trust").

Objectives, strategies and activities

Northwold offers a strong education to all children.

Northwold Mission Statement 2018-19:

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities (continued)

At Northwold we are committed to working together to prepare our children for life as responsible, global citizens.

We will empower all children:

- ◆ To be active and engaged learners who take responsibility for their learning, behaviour and success;
- ◆ To develop their confidence, honesty, self-awareness and resilience, as well as pride in their individual identities;
- ◆ To develop the skills to make positive decisions about their futures, their families, their communities and the world; and
- ◆ To develop skills and knowledge which can be applied in a variety of ways so that they can be independent when they are working and living in our changing world.

We recognise that every child has different aptitudes and needs. The focus of our school curriculum and all our school routines will ensure good progress.

The Academy Trust's aims for the academic year ending 31 August 2019 were to:

- ◆ To ensure that we sustain high quality teaching which is current and includes all pupils with work that is challenging and meets the pupils' needs;
- ◆ To ensure pupils feel and know how to keep themselves safe and take pride in being successful members of our school community;
- ◆ To ensure that new staff and succession leadership, including governors, maintain the standards and effective operating procedures in the school to drive the highest levels of achievement and personal development for all pupils;
- ◆ To ensure an increase in the percentage of pupils attaining GD in writing at the end of KS2;
- ◆ To provide greater opportunities for children to apply their literacy and mathematical skills across the curriculum;
- ◆ To continue to develop an engaging curriculum which promotes Britishness and reflects the rich diversity of our community, provides opportunities for success for all, promotes challenge and risk taking, and provides memorable experiences that truly enrich our pupils' lives;
- ◆ To ensure a culture and ethos of excellence, such that pupils fully understand and demonstrate behaviour for learning;

OBJECTIVES AND ACTIVITIES (continued)

Objectives, strategies and activities (continued)

- ◆ To provide a curriculum which ensures all pupils have an opportunity to discover their strengths and know their challenges;
- ◆ To maintain quality first teaching throughout the school and ensure OTT and NQT meet those standards;
- ◆ To ensure governors remain knowledgeable and strategic about school systems and national changes in order that they can be effective in supporting the school in improving outcomes for children; and
- ◆ To ensure a leadership succession plan is in place to ensure whole school stability.

Public benefit

In setting the Academy Trust's objectives and planning its activities, the board of trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

STRATEGIC REPORT

Achievements and Performance

Results for the year were as follows:

	2015		2016		2017		2018		2019	
	Net	2017	Net	2017	Net	2017	Net	2017	Net	2017
EYFSP	80.4	80	80.9	80	81.4	82	81.7	80	82.4	80
Year 1	80	80	80	80	81	82	81	80	82	80
Progress	80	80	80	80	81	82	81	80	82	80
KS1										
Reading	81	80	81	80	82	82	82	80	83	81
Writing	79	78	79	78	80	80	81	79	82	80
Maths	80	80	81	80	82	82	82	80	83	81
KS2										
Reading	89	90	89	90	91	91.7	91	90	92	90
Writing	88	89	89	90	91	91.7	91	90	92	90
Spelling	89	90	89	90	91	91.7	91	90	92	90
Maths	88	89	89	90	91	91.7	91	90	92	90

Key financial performance indicators

The key financial performance indicator for the school was to maintain the current level of educational provision whilst maintaining the current in-year surplus through good budget management. The financial performance is covered in greater detail in the financial review.

STRATEGIC REPORT (continued)

Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence until it closes down in early 2020. As detailed in the Reserves policy below, the total revenue fund balance at 31 August 2019 stands at £210,659 (2018 – £43,921), which now meets the figure stated in the reserves policy. An action plan was put in place during the financial year to ensure that the Academy Trust achieved an in-year surplus during 2018/19 while options for joining a MAT were explored. As detailed on page 9, the Academy Trust has elected to seek to join a MAT. The activities of Amaya Trust will be transferred to the MAT as a going concern.

Financial review

Financial report for the period

The majority of the Academy Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of the recurrent grant, the use of which is restricted to particular purposes. The grants received during the year ended 31 August 2019 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

During the year total expenditure was £2,887,390 (excluding depreciation) (2018 – £2,976,753). The Academy Trust's expenditure was covered by the recurrent funding and other income amounting to £2,970,779 in total (excluding capital grant income recognised within the fixed asset fund) (2018 – £2,975,413).

At the 31 August 2019 the net book value of fixed assets was £3,372,469 (2018 – £3,488,636) and movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to students of the Academy Trust.

The results for the period are shown on page 20.

Financial and risk management objectives and policies

Risks are defined as uncertain future events that might prevent the school from achieving its objectives. The Trustees therefore ensure that it has in place the means to identify, analyse, control and monitor the strategic and operational risks it faces through its Fraud Policy, Risk Register & Business Continuity Plan. These are in the process of being developed to be used as models of excellence.

Reserves policy

The Trustees review the reserves of the Academy Trust to ensure that they are adequate to meet the needs of the Academy Trust. The current level of reserves is higher than the last financial year as a result of careful cost monitoring during the period.

STRATEGIC REPORT (continued)

Financial review (continued)

Reserves policy (continued)

Following the governance transition highlighted on page 10, the Trustees considered that the Trust's in-year financial reporting and governance oversight required development. The trustees reviewed options to develop these areas in conjunction with the overall review of the future of the Trust. As a result, the Trustees' ability to accurately forecast the financial position of the Trust improved. The Trustees are not aware of any developments since the year end that impact on the above assessment of a going concern being transferred to the MAT.

Investment policy

The Trustees will consider the investment of surplus funds of the Academy Trust should future circumstances require, in accordance with the Academies Handbook.

PRINCIPAL RISKS AND UNCERTAINTIES

The Trustees have assessed the key risks to which the Academy Trust is exposed, in particular relating to the specific teaching & learning, provision of facilities and other operational areas of the Academy Trust and its finances. The Trustees have reviewed and implemented a number of systems to assess risks, especially those relating to teaching, health & safety and school visits and in relation to the control of finance. The Trustees have reviewed and where necessary implemented policies and procedures, such as vetting all new employees and volunteers, the security of the school site, visitor control and internal financial controls in order to minimise risk. The Trustees have also ensured they have adequate insurance cover and are satisfied that the systems in place are consistent with ESFA guidance. The systems for adequate financial controls are covered in the Financial Procedures manual.

The Academy Trust has developed a Fraud Policy, a Risk Register and a Business Continuity Plan which will be reviewed regularly by the Trustees. These provide a formal process to assess financial and business risks and implement control strategies. They involve identifying the types of risks the Academy Trust may face, scoring and prioritising them in terms of their potential operational and financial impact, assessing their likelihood of occurrence and identifying ways to mitigate them.

The Academy Trust's main risks are set out below.

Financial Risks

Some infrastructure of the school needs immediate improvement within the next year in line with most recent condition survey - September 2019. The survey showed concerns with the roof, boiler and fire doors. The school has plans in place which is a combination of CIF bid and school funds. There are clear plans to address urgent issues and some of the costs are one off costs for 2019/2020.

Recruitment & Trustee Retention

Amaya has recruited trustees during the period Jan-July 2019 to strengthen their base of skills, knowledge and experience. The trust expects to wind down in early 2020 so will not be recruiting further trustees.

PRINCIPAL RISKS AND UNCERTAINTIES (continued)

Staff Recruitment & Retention

Staff are recruited in line with good practice. Retention has been strong at all levels. To address this the Senior Management Team and Business Manager consistently adopt rigorous employee vetting procedures such as checking Disclosure and Barring Service checks, securing references from applicants' most recent previous employers and carrying out occupational health checks as part of pre-employment procedures.

Managing Growth

The Trust has elected to close Amaya Trust and join a MAT. This is scheduled to be completed by the end of 2020 academic year. The process is being overseen by Trustees.

Any risk has been managed through careful consideration of the choice of MAT along with consultation and a commitment to change management at the Academy Trust. A measured approach for implementation will be applied in order to ensure capacity of leadership to effectively manage change and to not compromise the quality and standard of educational provision of the Academy Trust. The process is also under the close scrutiny of the Board of Trustees.

FUNDRAISING

No major fundraising projects or activities were undertaken by the Academy Trust in the financial year

PLANS FOR FUTURE PERIODS

We will focus on plans for the merger and change management to ensure that standards are maintained during the merger period.

We will also continue to share expertise and good practise with other schools through Continuing Professional Development and collaborative working.

AUDITOR

In so far as the trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the members of the Board of Trustees and signed on its behalf by:

Annie Gammon
Chair of trustees
Date:



10/12/19

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that the Amaya 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 have delegated the day-to-day responsibility to the 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 the Academy Trust and the Secretary of State for Education. The Headteacher is also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

Governance

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

Trustee	Meetings attended	Out of a possible
Ciaran Seymour	1	1
Alison Kriel (Chief Executive Officer)	4	12
Saif Mahamroot (Vice Chair)	1	2
Jasper Corbett	2	2
Annie Gammon (Chair)	12	12
Andrew Cartwright	7	7
Stuart Dixon	9	12
Bernie McDonnell	6	8
Sakila Mirza	3	3
Ehsan Razavizadeh	6	7
David Valentine	3	3

During the year, there have been a number of changes at governance level at the Academy Trust. In light of these circumstances, the Academy Trust is liaising with the Regional Schools Commissioner and the ESFA regarding future options including joining a MAT. It was not possible for the full Board to meet during the autumn of 2018 and in January 2019, a new Board was appointed to govern the Trust, as detailed on page 1. As a result of this transition, there was no crossover period between the two sets of Trustees. The first task of the new Board was to promptly review and submit the overdue financial statements for the year ended 31 August 2018 to the best of their ability with the information available to them. A further induction and familiarisation process for the new Trustees took place thereafter. Following the induction of the new Trustees in early 2019, oversight of the Trust's activities has resumed as required by the Academies Financial Handbook.

Governance (continued)

Governance reviews

As Amaya Trust currently has one school – Northwold Primary – the Local Governing Body of Northwold Primary reports to the Amaya Board. Its purpose is to ensure that the financial regulations and procedures were followed and the financial management of Northwold Primary continues to be effective, ensuring that the annual budget plans were set and funds allocated to the optimum benefit of pupils.

There is not currently a separate audit committee – the Amaya Board receives the audit report for Northwold Primary.

Review of Value for Money

As accounting officer, the CEO 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. During the year 2018-19, the CEO was absent and the role of acting accounting officer was delegated to the Headteacher. Additional support was brokered with Strictly Finance. Trustees took a role in finalising the budget.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of the Academy Trust's 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. As described above, the system of internal control has been in place at the Academy Trust for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that, subject to the transition mentioned on page 10, has been in place for the year ended 31 August 2019 and up to the date of approval of the annual report and financial statements. Visits by the internal auditor commissioned from Strictly Education were reported on and any actions were followed up. This process is regularly reviewed by the board of trustees.

The risk and control framework

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

- ◆ comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;

The risk and control framework (continued)

- ◆ regular reviews by the Governors and Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- ◆ setting targets to measure financial and other performance;
- ◆ clearly defined purchasing (asset purchase or capital investment) guidelines;
- ◆ delegation of authority and segregation of duties; and
- ◆ identification and management of risks.

The Trustees have appointed Buzzacott LLP, as external auditors and Strictly Education to carry out internal assurance reviews.

This role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial system. On a termly basis, a report to the trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities is presented.

Review of effectiveness

As Accounting Officer, the Headteacher 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 work of the internal assurance provider;
- ◆ the financial management and governance self-assessment process; and

The Accounting Officer has advised the Board of the implications of her review of the system of internal control and a plan to address weaknesses and ensure continuous improvement of the system is in place.

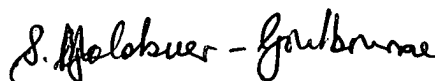
Approved by order of the Board of Trustees and signed on their behalf by:



Annie Gammon
(Chair of trustees)

Approved on:

10/12/19



Shelly Ann Malabver-Goulbourne
(Accounting Officer)

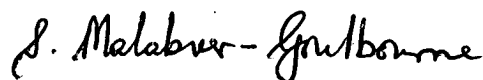
Approved on:

Statement on regularity, propriety and compliance 31 August 2019

As Accounting Officer of Amaya Trust, I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education and Skills Funding Agency of material irregularity, impropriety and non-compliance with ESFA 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 2018.

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 2018.

During the year, a number of changes in the Academy Trust's Governance structure occurred and the Trust's governance processes were not sufficient in the early part of the financial year. Further details are provide on page 10 of the Governance Statement. Other than the points highlighted on this page, 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 ESFA.



Shelly Ann Malabver-Goulbourne

Accounting Officer

Date: 10/12/19

Statement of trustees' responsibilities 31 August 2019

The trustees (who act as trustees of the Academy Trust and are also the directors of the Academy Trust for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education and Skills 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 Academy Trust and of its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- ◆ select suitable accounting policies and then apply them consistently;
- ◆ observe the methods and principles in the Charities' SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- ◆ make judgments and estimates that are reasonable and prudent;
- ◆ state whether applicable United Kingdom Accounting Standards (FRS 102) 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 Academy Trust will continue in operation.


The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Academy Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Academy Trust 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 Academy Trust 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 Academy Trust 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 ESFA/DfE have been applied for the purposes intended.

The trustees are responsible for the maintenance and integrity of the charity and financial information included on the Academy Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the Board of trustees and signed on its behalf by:

Annie Gammon
Chair of trustees
Date:


10/12/19

Independent auditor's report on the financial statements to the Members of Amaya Trust

Opinion

We have audited the financial statements of Amaya Trust (the 'charitable company') for the year ended 31 August 2019 which comprise the statement of financial activities, the balance sheet, the statement of cash flows, the principal accounting policies and the related notes to the financial statements. The financial reporting framework that has been applied in their preparation is applicable law and 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), 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) (the Charities SORP 2015) and the Academies Accounts Direction 2018 to 2019.

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 2019 and of its income and expenditure for the year then ended;
- ◆ have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- ◆ have been prepared in accordance with the requirements of the Companies Act 2006; and
- ◆ have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2018 to 2019.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We draw attention to the accounting policy on page 23 of these financial statements which indicates that the trustees of Amaya Trust have prepared the financial statements on a basis other than a going concern basis. This is due to the planned legal transfer of all activities, assets and liabilities of the charitable company to Arbor Academy Trust on 1 January 2020. Our opinion is not modified in respect of this matter.

Other information (covers the reference and administrative details, the report of the trustees and strategic report and the governance statement)

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ◆ the information given in the trustees' report which is also the directors' report for the purposes of company law and includes the strategic report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ◆ the trustees' report which is also the directors' report for the purposes of company law and includes the strategic report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the trustees' report including the strategic report. We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- ◆ adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- ◆ the financial statements are not in agreement with the accounting records or 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.

Requirements of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

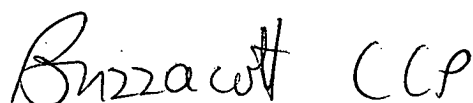
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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.

 Buzzacott LLP

Hugh Swainson (Senior Statutory Auditor)
For and on behalf of Buzzacott LLP, Statutory Auditor
130 Wood Street
London
EC2V 6DL

11 December 2019

Independent reporting auditor's assurance report on regularity to Amaya Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 24 October 2016 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Amaya Trust during the period from 1 September 2018 to 31 August 2019 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 Amaya Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Amaya Trust and the ESFA 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 Amaya Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Amaya Trust's accounting officer and the reporting auditor

The accounting officer is responsible, under the requirements of Amaya Trust's funding agreement with the Secretary of State for Education dated June 2014 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. 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 from 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by the ESFA. 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.

Approach (continued)

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:

- ◆ An assessment of the risk of material irregularity and impropriety across all of the Academy Trust's activities;
- ◆ Further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- ◆ Consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

Conclusion

There are circumstances noted on page 10 within the Governance statement in connection with the governance of the Trust. Other than these circumstances, nothing has come to our attention in the course of our work which suggests that in all material respects the expenditure disbursed and income received during the period from 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Buzzacott LLP

Buzzacott LLP
Chartered Accountants
130 Wood Street
London
EC2V 6DL

11 December 2019

Statement of financial activities (including income and expenditure account) Year to 31 August 2019

	Notes	Unrestricted general fund £	Restricted funds		2019 Total funds £	2018 Total funds £
			General £	Fixed assets fund £		
Income from:						
Donations and capital grants	1	910	—	25,512	26,422	14,385
Charitable activities						
Funding for the Academy						
Trust's educational operations	2	—	2,851,603	—	2,851,603	2,859,198
Other trading activities	4	118,257	—	—	118,257	110,636
Investments	3	9	—	—	9	2
Total income		119,176	2,851,603	25,512	2,996,291	2,984,221
Expenditure on:						
Raising funds:		117,460	—	—	117,460	98,238
Charitable activities						
Academy's educational						
operations	6	—	2,769,930	117,818	2,887,748	2,996,448
Total expenditure	5	117,460	2,769,930	117,818	3,005,208	3,094,686
Net income (expenditure)						
before transfers		1,716	81,673	(92,306)	(8,917)	(110,465)
Gross transfers between						
funds	15	—	(1,651)	1,651	—	—
Other recognised gains and						
losses						
Actuarial (losses) gains on						
defined benefit pension						
scheme	18	—	(316,000)	—	(316,000)	155,000
Net movement in funds		1,716	(235,978)	(90,655)	(324,917)	44,535
Reconciliation of funds						
Total fund balances brought						
forward at 31 August 2018		20,560	(1,432,639)	3,488,636	2,076,557	2,032,022
Total fund balances carried						
forward at 31 August 2019		22,276	(1,668,617)	3,397,981	1,751,640	2,076,557

All of the Academy Trust's activities derived from continuing operations during the above two financial periods.

The Academy Trust has no recognised gains or losses other than those shown above.

Balance sheet 31 August 2019

	Notes	2019 £	2019 £	2018 £	2018 £
Fixed assets					
Tangible fixed assets	11		3,372,469		3,488,636
Current assets					
Stock	12	1,775		2,794	
Debtors	13	95,348		116,861	
Cash at bank and in hand		391,121		115,536	
		<u>488,244</u>		<u>235,191</u>	
Liabilities					
Creditors: amounts falling due within one year	14	(252,073)		(191,270)	
Net current assets			<u>236,171</u>		<u>43,921</u>
Total assets less current liabilities			<u>3,608,640</u>		<u>3,532,557</u>
Pension scheme liability	19		(1,857,000)		(1,456,000)
Total net assets			<u><u>1,751,640</u></u>		<u><u>2,076,557</u></u>
Funds of the Academy Trust:					
Restricted income funds					
. Fixed assets fund	15		3,397,981		3,488,636
. Restricted income fund	15		188,383		23,361
. Pension reserve	15		(1,857,000)		(1,456,000)
			<u>1,729,364</u>		<u>2,055,997</u>
Unrestricted funds					
. General fund	15		22,276		20,560
Total funds			<u><u>1,751,640</u></u>		<u><u>2,076,557</u></u>

The financial statements on page 20 to 42 were approved by the trustees, authorised for issue and signed on their behalf by:

Annie Gammon
Chair



Approved on:

10/12/19

Amaya Trust
Company Limited by Guarantee
Registration Number: 09155473 (England and Wales)

Statement of cash flows Year to 31 August 2019

		2019 £	2018 £
Net cash flows from operating activities			
Net cash provided by operating activities	A	251,715	75,386
Cash flows from investing activities	B	23,870	(14,320)
Change in cash and cash equivalents in the year		275,585	61,066
Reconciliation of net cash flow to movement in net funds:			
Cash and cash equivalents at 1 September 2018		115,536	54,470
Cash and cash equivalents at the end of the year	C	391,121	115,536

A. Reconciliation of net expenditure to net cash provided by operating activities

	2019 £	2018 £
Net expenditure for the year (as per the statement of financial activities)	(8,917)	(110,465)
Adjusted for:		
Depreciation (note 11)	117,818	117,933
Capital grants from DfE and other capital income	(25,512)	(8,808)
Interest receivable	(9)	(2)
Defined benefit pension scheme cost less contributions payable (note 18)	44,000	18,000
Defined benefit pension scheme finance cost (note 18)	41,000	39,000
Decrease in stocks	1,019	—
Decrease in debtors	21,513	27,121
Increase (decrease) in creditors	60,803	(7,393)
Net cash provided by operating activities	251,715	75,386

B Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	9	2
Purchase of tangible fixed assets	(1,651)	(23,130)
Capital grants from DfE/ESFA	25,512	8,808
Net cash used in investing activities	23,870	(14,320)

C Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	391,121	115,536
Total cash and cash equivalents	391,121	115,536

Statement of accounting policies

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

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 2018 to 2019 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006.

The financial statements are presented in sterling and rounded to the nearest pound.

Going concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern.

With effect from 1 January 2020, the Academy Trust plans, in accordance with a legal transfer of undertakings, to transfer all activities, assets and liabilities of Amaya Trust as a going concern to Arbor Academy Trust, company registration number 10234376. For this reason the trustees do not deem it appropriate to continue to adopt the going concern basis for the preparation of the Academy Trust's financial statements and have therefore prepared the financial statements on a basis other than the going concern basis. No adjustments have been made to book values as a result of this.

Income

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

Grants

Grants are included in the statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued. The General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Income (continued)

Donations

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

Other income

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the Academy Trust has provided the goods or services.

Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

Expenditure on raising funds

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

Charitable activities

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

All expenditure is stated net of recoverable VAT.

Tangible fixed assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and 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/valuation of each asset on a straight-line basis over its expected useful economic life, as follows:

Tangible fixed assets (continued)

♦ Long leasehold buildings	2% per annum
♦ Furniture and equipment	20% per annum
♦ Computer equipment	25% per annum

Depreciation is charged from the month of acquisition.

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.

Debtors

Debtors are recognised at their settlement amount less any provision for non-recoverability. Prepayments are valued at the amounts prepaid. They have been discounted to the present value of the future cash receipt where such discounting is material.

Cash at bank and in hand

Cash at bank and in hand represents such accounts and instruments that are available on demand. Notice deposits are included on the balance sheet as short term deposits.

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.

Leased assets

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

Financial instruments

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost. Prepayments are not financial instruments.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial liabilities – trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

Stock

Unsold uniforms and catering stocks are valued at the lower of cost or net realisable value.

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.

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 quadrennial valuations using a prospective unit credit method. As stated in note 18, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions 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 credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

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 the Education and Skills Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Restricted general funds comprise all other grants received from the Education and Skills Funding Agency and the Local Authority, the London Borough of Hackney.

Critical accounting estimates and 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

1 Donations and capital grants

	Unrestricted funds £	Restricted Fixed assets funds £	2019 Total funds £
Capital grants	—	25,512	25,512
Other donations	910	—	910
	910	25,512	26,422

	Unrestricted funds £	Restricted Fixed assets funds £	2018 Total funds £
Capital grants	—	8,808	8,808
Other donations	5,577	—	5,577
	5,577	8,808	14,385

2 Funding for academy's educational operations

	Unrestricted funds £	Restricted funds £	2019 Total funds £
DfE / ESFA revenue grants			
. General Annual Grant (GAG)		2,297,550	2,297,550
. Other DfE / ESFA	—	329,744	329,744
	—	2,267,294	2,267,294

Other government grants			
. Local authority grants	—	224,309	224,309
	—	224,309	224,309
	—	2,851,603	2,851,603

	Unrestricted funds £	Restricted funds £	2018 Total funds £
DfE / ESFA revenue grants			
. General Annual Grant (GAG)	—	2,325,782	2,325,782
. Other DfE / ESFA	—	333,858	333,858
	—	2,659,640	2,659,640

Other government grants			
. Local authority grants	—	199,558	199,558
	—	199,558	199,558
	—	2,859,198	2,859,198

3 Investment income

	Unrestricted funds £	Restricted funds £	2019 Total funds £
Interest receivable	9	—	9
	9	—	9

	Unrestricted funds £	Restricted funds £	2018 Total funds £
Interest receivable	2	—	2
	2	—	2

4 Other trading activities

	Unrestricted funds £	Restricted funds £	2019 Total funds £
Trip income	13,447	—	13,447
Catering income	41,035	—	41,035
Club income	46,241	—	46,241
Uniform and other sales	17,534	—	17,534
	118,257	—	118,257

	Unrestricted funds £	Restricted funds £	2018 Total funds £
Trip income	10,369	—	10,369
Catering income	38,066	—	38,066
Club income	34,178	—	34,178
Uniform and other sales	28,023	—	28,023
	110,636	—	110,636

5 Expenditure

	Staff costs £	Non pay expenditure		2019 Total funds £
		Premises £	Other costs £	
Raising funds	46,241	—	71,219	117,460
Charitable activities				
Academy's educational operations				
Direct costs	1,777,753	117,818	93,346	1,988,917
Allocated support costs	385,441	206,173	307,217	898,831
	2,209,435	323,991	471,782	3,005,208

5 Expenditure (continued)

	Staff costs £	Non pay expenditure		2018 Total funds £
		Premises £	Other costs £	
Raising funds	34,178	—	64,060	98,238
Charitable activities				
Academy's educational operations				
Direct costs	1,790,006	117,933	92,873	2,000,812
Allocated support costs	496,370	203,097	296,169	995,636
	<u>2,320,554</u>	<u>321,030</u>	<u>453,102</u>	<u>3,094,686</u>

Net expenditure for the year includes:

	2019 Total funds £	2018 Total funds £
Operating lease rentals	—	5,187
Depreciation	117,818	117,933
Fees payable to auditor		
Statutory audit	7,950	7,750
Other services	3,510	5,600

Included within expenditure are the following transactions:

	Total £	Individual items above £5,000	
		Amount £	Reason
Compensation payments	30,000	30,000	Compensation for termination of employment paid to the former CEO (note 8).

6 Charitable activities - academy's educational operations

	2019 Total funds £	2018 Total funds £
Direct costs	1,988,917	2,000,812
Support costs	898,831	995,636
	2,887,748	2,996,448

	2019 Total funds £	2018 Total funds £
Analysis of support costs		
Support staff costs	385,441	496,370
Technology costs	59,406	54,421
Premises costs	206,173	203,097
Other support costs	193,276	198,190
Governance costs	54,535	43,558
Total support costs	898,831	995,636

7 Comparative information

Analysis of income and expenditure in the year ended 31 August 2018 between restricted and unrestricted funds:

	Unrestricted general fund £	Restricted funds		2018 Total funds £
		General £	Fixed assets fund £	
Income from:				
Donations and capital grants	5,577	—	8,808	14,385
Charitable activities				
Funding for the Academy	—	2,859,198	—	2,859,198
Trust's educational operations	110,636	—	—	110,636
Other trading activities	2	—	—	2
Investments	2	—	—	2
Total income	116,215	2,859,198	8,808	2,984,221
Expenditure on:				
Raising funds:	98,238	—	—	98,238
Charitable activities				
Academy's educational operations	—	2,878,515	117,933	2,996,448
Total expenditure	98,238	2,878,515	117,933	3,094,686
Net expenditure before transfers	17,977	(19,317)	(109,125)	(110,465)
Gross transfers between funds	—	(14,322)	14,322	—
Other recognised gains and losses				
Actuarial gains on defined benefit pension scheme	—	155,000	—	155,000
Net movement in funds	17,977	121,361	(94,803)	44,535
Reconciliation of funds				
Total fund balances brought forward at 31 August 2017	2,583	(1,554,000)	3,583,439	2,032,022
Total fund balances carried forward at 31 August 2018	20,560	(1,432,639)	3,488,636	2,076,557

8 Staff

(a) Staff costs

Staff costs during the period were:

	2019 Total funds £	2018 Total funds £
Wages and salaries	1,512,058	1,564,959
Social security costs	132,760	156,493
Pension costs	258,220	264,736
	1,903,038	1,986,188
Supply teacher costs	256,397	334,366
Staff Restructuring costs	50,000	—
	2,209,435	2,320,554
Staff restructuring costs comprise:		
Redundancy payments	5,000	—
Severance payments	30,000	—
Other restructuring costs	15,000	—
	50,000	—

(b) Non-statutory/ non-contractual staff severance payments

Included in staff restructuring costs is a single non-statutory/ non-contractual severance payment of £30,000 (2018 – £nil).

(c) Staff numbers

The average number of persons (including the Senior Management Team) employed by the charitable company during the year ended 31 August 2019 was as follows:

Charitable activities	2019 No.	2018 No.
Teachers	18	18
Administration and support	43	38
Management	5	7
	66	63

Supply teachers were utilised in addition to the staff above.

(d) Higher paid staff

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

	2019 No.	2018 No.
£60,001 – £70,000	1	3
£70,001 – £80,000	2	1

8 Staff (continued)

(d) Higher paid staff (continued)

All three of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2019 pension contributions for these staff amounted to £25,984 (2018 – three employees contributed £32,673). During the year ended 31 August 2018, the fourth higher paid employee contributed to the London Borough of Hackney Pension Fund. Pension contributions for this employee during the year ended 31 August 2018 amounted to £21,592.

(e) Key management personnel

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's national insurance contributions and employer pension contributions) received by key management personnel for their services to the Academy Trust was £247,488 (2018 – £574,371).

9 Trustees' remuneration and expenses

The Chief Executive, Headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Chief Executive, Headteacher and staff members under their contracts of employment. No trustees received reimbursement for expenses incurred with respect to their work as trustees during the year (2018 – no trustees).

	2019 £	2018 £
Shelly Ann Malabver-Goulbourne, Headteacher*		
· Remuneration	—	£75,001 – £80,000
· Employer's pension contributions	—	£10,001 – £15,000
Alison Kriel, Chief Executive		
· Remuneration	£65,001 – £70,000	£65,001 – £70,000
· Payments in lieu of notice	£0 – £5,000	—
· Severance payments	£25,001 – £30,000	—
· Employer's pension contributions	£10,001 – £15,000	£10,001 – £15,000
Serrantha Bhagwandas*		
· Remuneration	—	£65,001 – £70,000
· Employer's pension contributions	—	£5,001 – £10,000

*Serrantha Bhagwandas and Shelly-Ann Malabver-Goulbourne resigned from their roles as Trustees on 6 December 2017. The table above shows the full year's remuneration that they received in respect of their executive roles in 2017/18. Other related party transactions involving the trustees are set out in note 19.

10 Trustees' and Officers' insurance

The Academy Trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the trustees and officers indemnity element from the overall cost of the RPA scheme.

11 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total funds £
Cost/valuation				
At 1 September 2018	3,638,346	65,982	129,173	3,833,501
Additions	—	—	1,651	1651
At 31 August 2019	3,638,346	65,982	130,824	3,835,152
Depreciation				
At 1 September 2018	244,838	26,491	73,536	344,865
Charge in period	72,381	13,262	32,175	117,818
At 31 August 2019	317,219	39,753	105,711	462,683
Net book value				
At 31 August 2019	3,321,1272	26,229	25,113	3,372,469
At 31 August 2018	3,393,508	39,491	55,637	3,488,636

12 Stock

	2019 £	2018 £
Uniforms	1,775	2,794
	1,775	2,794

13 Debtors

	2019 £	2018 £
Prepayments and accrued income	68,410	83,375
VAT Debtor	26,938	16,476
Other debtors	—	17,010
	95,348	116,861

14 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	48,967	65,603
Taxation and social security	40,461	36,364
Other creditors	—	750
Accruals and deferred income	162,645	88,553
	252,073	191,270
Deferred income		
Deferred income at 1 September 2018	35,306	28,854
Amounts released from previous years	(35,306)	(28,854)
Resources deferred during the year	28,530	35,306
Deferred income at 31 August 2019	28,530	35,306

Deferred income relates to income received from Universal Infant Free School Meals grants relating to the year ending 31 August 2020 and school trip income received in advance of trips due to take place during the year ending 31 August 2020.

15 Funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2019 £
Restricted general fund					
. General Annual Grant (GAG)	23,361	2,297,550	(2,130,877)	(1,651)	188,383
. Pupil premium	—	236,350	(236,250)	—	—
. Other grants	—	93,394	(93,394)	—	—
. Local authority grants	—	224,309	(224,309)	—	—
. Pension reserve	(1,456,000)	—	(85,000)	(316,000)	(1,857,000)
	(1,432,639)	2,851,603	(2,769,930)	(317,651)	(1,668,617)
Fixed assets fund					
Transfer on conversion					
. ESFA capital grants	25,579	25,512	(4,575)	—	46,516
. Capital expenditure from GAG	62,963	—	(35,054)	1,651	29,560
. Academy building and furniture and equipment transferred from Local Authority	3,288,390	—	(70,591)	—	3,217,799
. Unrestricted funds	111,704	—	(7,598)	—	104,106
	3,488,636	25,512	(117,818)	1,651	3,397,981
Total restricted funds	2,055,997	2,877,115	(2,887,748)	(316,000)	1,729,364
Unrestricted funds					
. Unrestricted funds	20,560	119,176	(117,460)	—	22,276
Total unrestricted funds	20,560	119,176	(117,460)	—	22,276
Total funds	2,076,557	2,996,291	(3,005,208)	(316,000)	1,751,640

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

ESFA revenue grant fund and other restricted general funds

These funds represent grants received for the Academy Trust's operational activities and development.

General Annual Grant (GAG)

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2019.

Pension reserve

The pension reserve forms part of the restricted general fund and relates to the Academy Trust's share of the London Borough of Hackney Pension Scheme.

Transfers from the restricted general to the restricted fixed asset fund have been made to represent the purchase of fixed assets using GAG funding.

15 Funds (continued)**Fixed asset fund**

Restricted fixed assets funds were funded by government grants or donations. When capital expenditure is incurred a transfer is made from the fund which funded the acquisition to the restricted fixed asset fund. That asset is then depreciated through the restricted fixed asset fund over the lifetime of that asset.

Comparative information

Comparative information in respect of the preceding period is as follows:

	Balance at 1 September 2017 £	Income £	Expenditure £	Gains, losses and transfers £	Balance at 31 August 2018 £
Restricted general fund					
General Annual Grant (GAG)	—	2,325,782	(2,288,099)	(14,322)	23,361
Pupil premium	—	260,307	(260,307)	—	—
Other grants	—	73,551	(73,551)	—	—
Pension reserve	(1,554,000)	—	(57,000)	155,000	(1,456,000)
Local authority grants	—	199,558	(199,558)	—	—
	<u>(1,554,000)</u>	<u>2,859,198</u>	<u>(2,878,515)</u>	<u>140,678</u>	<u>(1,432,639)</u>
Fixed assets fund					
Transfer on conversion					
ESFA capital grants	21,346	8,808	(4,575)	—	25,579
Capital expenditure from GAG	83,810	—	(35,169)	14,322	62,963
Academy building and furniture and equipment transferred from Local Authority	3,358,981	—	(70,591)	—	3,288,390
Unrestricted funds	119,302	—	(7,598)	—	111,704
	<u>3,583,439</u>	<u>8,808</u>	<u>(117,933)</u>	<u>14,322</u>	<u>3,488,636</u>
Total restricted funds	<u>2,029,439</u>	<u>2,868,006</u>	<u>(2,996,448)</u>	<u>155,000</u>	<u>2,055,997</u>
Unrestricted funds					
Unrestricted funds	2,583	116,215	(98,238)	—	20,560
Total unrestricted funds	<u>2,583</u>	<u>116,215</u>	<u>(98,238)</u>	<u>—</u>	<u>20,560</u>
Total funds	<u>2,032,022</u>	<u>2,984,221</u>	<u>(3,094,686)</u>	<u>155,000</u>	<u>2,076,557</u>

16 Analysis of net assets between funds

	Unrestricted funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Total 2019 £
Fund balances at 31 August 2019 are represented by:				
Tangible fixed assets	—	—	3,372,469	3,372,469
Current assets	22,276	440,456	25,512	488,244
Current liabilities	—	(252,073)	—	(252,073)
Pension scheme liability	—	(1,857,000)	—	(1,857,000)
Total net assets	22,276	(1,668,617)	3,397,981	1,751,640

	Unrestricted funds £	Restricted General Funds £	Restricted Fixed Asset Fund £	Total 2018 £
Fund balances at 31 August 2018 are represented by:				
Tangible fixed assets	—	—	3,488,636	3,488,636
Current assets	20,560	214,631	—	235,191
Current liabilities	—	(191,270)	—	(191,270)
Pension scheme liability	—	(1,456,000)	—	(1,456,000)
Total net assets	20,560	(1,432,639)	3,488,636	2,076,557

17 Members' Liability

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

18 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 the London Borough of Hackney. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS and the LGPS related to the period ended 31 March 2016.

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

18 Pension and similar obligations (continued)

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. These regulations apply to teachers in schools, colleges and other educational establishments. Membership is automatic for teachers and lecturers at eligible institutions. Teachers and lecturers are able to opt out of the TPS.

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 under arrangements governed by the above Act. Retirement and other pension benefits are paid by public funds provided by Parliament.

Under the definitions set out in FRS 102 (28.11), the TPS is a multi-employer pension plan. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the plan.

Accordingly, the Academy Trust has taken advantage of the exemption in FRS 102 and has accounted for its contributions to the scheme as if it were a defined-contribution plan. The Academy Trust has set out above the information available on the plan and the implications for the Academy Trust in terms of the anticipated contribution rates.

The valuation of the TPS is carried out in line with regulations made under the Public Service Pension Act 2013. Valuations credit the teachers' pension account with a real rate of return assuming funds are invested in notional investments that produce that real rate of return.

The latest actuarial review of the TPS was carried out as at 31 March 2016. The valuation report was published by the Department for Education (DfE) in April 2019. The valuation reported total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218 billion, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196 billion, giving a notional past service deficit of £22 billion.

As a result of the valuation, new employer contribution rates were set at 23.68% of pensionable pay from September 2019 onwards (compared to 16.48% during 2018/19). The Department for Education has agreed to pay a teacher pension employer contribution grant to cover the additional costs during the 2019/20 academic year.

A full copy of the valuation report and supporting documentation can be found on the Teachers' Pension Scheme website.

The employer's pension costs paid to TPS in the period amounted to £137,890 (2018 – £140,336).

18 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS)

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £145,000 (2018 – £158,000), of which employer's contributions totalled £22,000 (2018 – £133,000) and employees' contributions totalled £123,000 (2018 – £25,000). The agreed contribution rates for future years are 36.89% for employers.

Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of an academy trust 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 2019	At 31 August 2018
Rate of increase in salaries	3.4%	3.5%
Rate of increase for pensions in payment / inflation	2.3%	2.4%
Discount rate for scheme liabilities	1.8%	2.8%
Inflation assumption (CPI)	2.3%	2.4%

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 2019 (years)	At 31 August 2018 (years)
<i>Retiring today</i>		
Males	21.3	22.2
Females	23.3	24.2
<i>Retiring in 20 years</i>		
Males	21.9	23.6
Females	24.3	25.7

Sensitivity analysis: Impact on the defined Benefit obligation from changes in assumptions	At 31 August 2019 £	At 31 August 2018 £
Discount rate -0.5%	303,000	232,000
Salary increase rate +0.5%	50,000	44,000
Pension increase rate +0.5%	245,000	185,000

18 Pension and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

The Academy Trust's share of the assets and liabilities in the scheme were:

	Fair value at 31 August 2019 £	Fair value at 31 August 2018 £
Equities	500,000	435,000
Corporate bonds	134,000	87,000
Property	75,000	58,000
Cash and other liquid assets	37,000	—
Total market value of assets	746,000	580,000
Present value of scheme liabilities		
Funded	(2,603,000)	(2,036,000)
Deficit in the scheme	(1,857,000)	(1,456,000)

	2019 £	2018 £
Amounts recognised in statement of financial activities		
Current service cost	126,000	151,000
Past service cost (McCloud judgement)	41,000	—
Net interest cost	41,000	39,000
Total amount recognised in the SOFA	208,000	190,000

	2019 £	2018 £
Changes in the net pension liability were as follows:		
At 1 September 2018	1,456,000	1,554,000
Current service cost	126,000	151,000
Past service cost (McCloud judgement)	41,000	—
Employers contribution	(123,000)	(133,000)
Net interest cost	41,000	39,000
Net actuarial loss (gain)	316,000	(155,000)
At 31 August 2019	1,857,000	1,456,000

	2019 £	2018 £
Changes in the present value of defined benefit obligations were as follows:		
At 1 September 2018	2,036,000	1,962,000
Current service cost	126,000	151,000
Past service cost (McCloud judgement)	41,000	—
Interest cost	59,000	51,000
Employee contributions	22,000	25,000
Actuarial loss (gain)	338,000	(137,000)
Benefits paid	(19,000)	(16,000)
At 31 August 2019	2,603,000	2,036,000

18 Pensions and similar obligations (continued)

Local Government Pension Scheme (LGPS) (continued)

Changes in the fair value of the Academy Trust's share of scheme assets:	2019 £	2018 £
At 1 September 2018	580,000	408,000
Interest income	18,000	12,000
Actuarial gain	22,000	18,000
Employer contributions	123,000	133,000
Employee contributions	22,000	25,000
Benefits paid	(19,000)	(16,000)
At 31 August 2019	746,000	580,000

19 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 sector organisations, transactions may take place with organisations in which a member of the Board of Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures.

No related party transactions took place during the period of account.