



**Academy Transformation Trust
(a company Limited by Guarantee)**

**Annual Report & Consolidated Financial Statements
For The Year Ending 31 August 2015**

**Registered Number 07846852
(England & Wales)**



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Reference and Administrative Details

Members	Ian Cleland Patricia Beanland (from 1 June 2015) Amy Leonard (from 27 August 2015) Anas Abdul Mawla (until 1 June 2015) Neil Flint (until 23 September 2015)
Trustees	Ian Cleland (CEO and Accounting Officer) Neil Flint (resigned 23 September 2015) Brett Westwood Keith Panes (resigned 16 February 2015) Joyce Hodgetts Stephen Tilsley Kate Taylor Amy Leonard Bernard Dickenson (appointed 5 March 2015) Dr Christopher Field (appointed 2 June 2015)
Senior Management Team: Chief Executive Officer Managing Director Consultant Group Finance Director Director of Resources Principal Improvement Director Further Education Director	Ian Cleland Joyce Hodgetts Mike Giddings Claire Pritchard Lisa Crausby Simon Martin
Principal and Registered Office	Room 501 1 Victoria Square Birmingham B1 1BD
Company Registration Number	07846852 (England and Wales)
Independent Auditor	Mazars LLP Park View House 58 The Ropewalk Nottingham NG1 5DW
Bankers	Barclays Bank PLC Cambridge Benet Street Leicestershire LE87 2BB
Solicitors	Stone King LLP, 16 St John's Lane, London, EC1M 4BS Browne Jacobson LLP, Victoria Square House, Victoria Square, Birmingham, B2 4BU



Trustees' Report

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

The trust operates 9 primary academies and 9 secondary academies across England. Its academies have a combined pupil capacity of 11,715 and had a roll of 9,468 in the January 2015 school census.

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

The financial statements are consolidated results that include the results of Mark Hall Sports Services Limited.

Details of the trustees who served throughout the year are included in the Reference and Administrative Details on page 3.

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

A trustee may benefit from any indemnity insurance purchased at the academy trust's expense to cover the liability of the trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the academy trust. Provided that any such insurance shall not extend to any claim arising from any act or omission which the trustees knew to be a breach of trust or breach of duty or which was committed by the trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defense to a criminal prosecution brought against the trustees in their capacity as directors of the academy trust.

Method of Recruitment and Appointment or Election of Trustees

The Founding Members may appoint up to 5 trustees and the Members may appoint up to 5 trustees, provided always that the total number of trustees including the Chief Executive Officer who are employees of the Company does not exceed one third of the total number of trustees. The Chief Executive Officer shall be a trustee for as long as he remains in office as such.

The trustees may appoint up to 3 co-opted trustees. A 'co-opted trustee' means a person who is appointed to be a trustee by being co-opted by trustees who have not themselves been so appointed.

Trustees' Report (continued)

The trustees may not co-opt an employee of the Company as a co-opted trustee if thereby the number of trustees who are employees of the Company would exceed one third of the total number of trustees including the Chief Executive Officer.

The Secretary of State may give a warning notice to the trustees where he is satisfied:

- that the standards of performance of pupils at any of the Academies are unacceptably low; or
- that there has been a serious breakdown in the way any of the Academies are managed or governed; or
- that the safety of pupils or staff of any of the Academies is threatened (whether by a breakdown of discipline or otherwise).

The Secretary of State may appoint such Additional trustees as he thinks fit if the Secretary of State has:

- given the trustees a warning notice with respect to the performance of an academy; and
- the trustees have failed to comply, or secure compliance, with the notice to the Secretary of State's satisfaction within the compliance year.

The Secretary of State may also appoint such additional trustees where following an Inspection by the Chief Inspector in accordance with the Education Act 2005 (an "Inspection") an academy receives an Ofsted grading (being a grade referred to in The Framework for School Inspection or any modification or replacement of that document for the time being in force) which amounts to a drop, either from one Inspection to the next Inspection or between any two Inspections carried out within a 5 year period, of two Ofsted grades. For the purposes of the foregoing the grade received by the predecessor school as defined in the Relevant Funding Agreement shall be regarded as the grade received by the academy.

The Secretary of State may also appoint such further trustees as he thinks fit if a Special Measures Termination Event (as defined in the Relevant Funding Agreement) occurs in respect of any academy.

Policies and Procedures Adopted for the Induction and Training of Trustees and Local Governors

With respect to Board of Trustees, a programme of away days has been agreed which includes training and development, and also provides space for strategic thinking. All new Board members are provided with the Governors Handbook and associated trust information and their roles and responsibilities are clearly explained by way of an induction meeting.

All new Academy Transformation Trust Local Governors are encouraged to take part in an induction session, providing them with information regarding:

- what it means to be an Academy Transformation Trust Governor;
- the features of an effective Local Governing Body;
- their roles and responsibilities, including those in regards to the strategic direction and improvement of the academy; and
- how they can successfully support, monitor, and evaluate the effectiveness of the academy.

Governors are required to undertake Child Protection Level 1 training, which has to be renewed every two years and in addition to this, the Chair and at least one other Governor is required to undertake Safer Recruitment Training. Each Governor is provided with the Governor Handbook which clearly

Trustees' Report (continued)

sets out roles and responsibilities. In regards to other training opportunities, upon becoming an Academy Transformation Trust academy, each member of the Local Governing Body is required to complete a skills audit. From this information and following consultation with the Chair, Principal and Education Adviser, a bespoke training package is drawn up by the Academy Transformation Trust Governance Department.

Organisational Structure

The Academy Transformation Trust Board is ultimately responsible to the Department for Education and must ensure that its academies act in accordance with the Master Funding Agreement, Supplemental Funding Agreement, Academies Financial Handbook and all other relevant legislation.

In order to fulfil its responsibility the Academy Transformation Trust Board established a central Audit Committee. The Academy Transformation Trust Board has also established a Local Governing Body in each of its academies in accordance with the Local Governing Body Terms of Reference. Each Local Governing Body receives delegated authority from the Academy Transformation Trust Board to support the Board in fulfilling its obligations.

Each Local Governing Body is responsible for establishing its own set of sub-committees. Some Local Governing Bodies may choose not to have any sub-committees and instead meet on a regular basis as a Full Local Governing Body; others may establish a number of sub-committees.

Local Governing Body Membership

Academy Transformation Trust Local Governing Bodies range in size from 7 Governors to 15. Where there are only 7 Governors they should be:

- Principal;
- Academy Improvement Director from Academy Transformation Trust;
- Parent 1;
- Parent 2;
- Staff 1;
- Staff 2; and
- Representative from the local community.

Related Parties and other Connected Charities and Organisations

Anas Abdul Mawla was a member of Academy Transformation Trust until 1 June 2015, and Managing Director of GAIA Technologies PLC, a supplier used by the Trust. The trust has undertaken a full, OJEU compliant public procurement exercise and has taken advice from legal experts with regard to making appropriate provisions with regard to conflict of interests. Mr Abdul Mawla played absolutely no part in the decision making process and the trust has followed requirements of the Academies Financial Handbook, in particular the provisions of section 2.5 with regard to ensuring that the terms of the Articles of Association have been followed. We sought views from officials at the Department for Education and the Education Funding Agency during the procurement process.

Trustees' Report (continued)

Objectives and Activities

Objects and aims

The academy's objects are specifically restricted to the following:

- 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; and
- to promote for the benefit of the inhabitants of the areas in which the academies are located and the surrounding areas the provision of facilities for recreation or other leisure time occupation of individuals who have need 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.

Objectives, Strategies and Activities

ATT has continued to deliver its commitment to providing excellence for all pupils and supporting every child to achieve their full potential. ATT believes that:

- all children deserve a first class education;
- all schools can be transformed to being judged as outstanding;
- all pupils can and should leave education well prepared for their life ahead academically, personally, emotionally; and
- all of our staff feel valued and supported in reaching their full professional potential.

Public Benefit

The trust governors have complied with the duty in Section 4 of the Charities Act 2006, to have due regard to public benefit guidance published by the Charity Commission in exercising their powers or duties. In particular, the governors consider how planned activities will contribute to the aims and objectives they have set. The trust has provided a fully comprehensive education to all pupils in its care. It fully complies with all statutory guidance and seeks to support its wider educational objectives via a strong community role.

Strategic Report

Achievements and Performance

Over the year a number of events were held to celebrate the progress of ATTs academies towards the achievement of the mission and to share best practice. An awards ceremony was held at the House of Commons to recognise both staff and pupils who have made a significant contribution to academy improvement over the year. An awards ceremony for pupils is planned for the autumn term. A successful conference was held in March 2015 for Governors and a conference for Principals and senior leaders was organised in June 2015.

Over the last year ATT has continued to support the delivery of its mission, while consolidating the infrastructure needed to support its existing academies.

- ATT opened two new primary academies in the year, neither of these was in an Ofsted category although both had been recognised as causing concern by

Trustees' Report (continued)

- the Local Authority. Both academies improved their performance from their pre-academy conversion.
- Overall leadership in the academies has been recognised as a strength by Ofsted, as has the quality of governance and the support provided by central staff.
- Over the year there were 12 inspections, of which five academies were judged to be good and seven judged to be requiring improvement. No academies were placed in an Ofsted category.
- The quality of teaching has continued to be strengthened and overall inadequate teaching has been eliminated and good or better teaching is seen in 80% of the lessons observed in both primary and secondary academies.
- Pupil performance and progress in both primary and secondary academies has continued to make a significant improvement.

Primary

- Pupils making two levels of progress continue to be in line with national expectation in reading, writing and mathematics;
 - two levels of progress in reading was 90% (up 2%), writing was 94% (equal to previous year) and math's was 85% (up 1%);
 - level 4 combined attainment rose from 62% to 72%;
 - level 4 attainment in reading was 86% (up 5%), writing was 81% (up 4%), math's was 80% (up 5%);
 - overall this brought ATT academies broadly into line with national levels of performance and demonstrates a continuous improvement from the baseline year of 2013.

Overall there has been a steady improvement and ATTs primary academies are broadly in line with national performance and no primary academy was placed in an Ofsted category over the year.

Secondary

- No secondary academy was below the floor standard of 40% 5+A*-C including English and math's, with an average of 49% across ATT which is an improvement of 6% from last year.
- A*-C in English improved by 3% (to 60%), with three levels of progress improving by 6% (to 67%).
- A*-C in mathematics improve by 1% (to 64%), with three levels of progress improving by 8% (to 65%).

Overall this brought ATT academies broadly into line with national levels of performance and demonstrates a continuous improvement from the baseline year of 2013. No secondary academy was placed in an Ofsted category across the year.

The above achievement has been from pupil/student cohorts that are significantly below national expectation on entry to both primary and secondary phases.

Post 16

- Performance in the six ATT academies who offer sixth form provision has improved from 2013-2014.
- All ATT academies performed above national levels of performance re A*-E (A-levels), with an average of 99.2%, an improvement of 4% on 2012-2013. Three academies achieved 100% pass rates.
- Pass rates A*-C improved by 9% to 67% - still below national of 76% but a 22% improvement from the trusts 2013 baseline.

Trustees' Report (continued)

- Average point score for A level entry remained the same as 2013-2014; APS per A level student also remained the same.
- Performance in vocational A-level equivalent subjects was particularly strong and was well above national performance, with APS for vocational entry being 230 against a national of 217. The point score per student was 785, significantly above the national figure of 561.

Finance and estates

- ATT secured £13.5 million in total over a three year period beginning April 2015 for capital maintenance. This was the second highest allocation to any multi academy trust. ATT also secured four out of five bids for capital funding under the Priority School Building Programme (PSB2). This success is enabling ATT to bring all of its academies buildings to an appropriate standard over the next three years.
- Finance has been effectively managed, enabling support to be given for specific projects in a number of academies in terms of financing the growth of additional numbers and investment in new technologies. ATT has maintained a robust reserve sufficient to meet any unexpected challenges.

Organisation

- In preparation for the next phase of growth ATT has reorganised trust central services within its managed service portfolio to strengthen all aspects of academy support, with a particular focus on academy improvement.
- The work of the trust (central services) has been recognised by Ofsted with extremely positive comments within inspection reports;
 - Ravens Academy (Ofsted July 2015) – “The Trust provides excellent support and challenge for the academy. Training is provided and opportunities to meet teachers or governors from other academies in the trust are promoted well so that expertise and good practice can be shared”;
 - The Hathaway Academy (Ofsted June 2015) – “The academy sponsor provides high quality support and rigorous challenge to leaders. This is helping the academy to improve;
 - ATT is providing effective support for leaders at all levels. The sponsor also provides regular opportunities for subject leaders to meet and share good practice. Governors benefit from regular training opportunities provided by the Trust such as the annual Governors Conference”;
 - Mildenhall College Academy (Ofsted March 2015) – “Members of the trust support leaders effectively and are ambitious in their plans for the academy. They have made significant resources available and these have been used well to improve the quality of the academy site, improvement in teaching and accelerated progress. The Trust is represented on the governing body and brings a level of knowledge and expertise that has enabled governors to carry out their roles to good effect”.

ATT is well placed to resume its growth strategy in 2015-2016 and is in discussion with a number of schools and academies considering the conversion to academy status or joining a larger trust.

Trustees' Report (continued)

Key Performance Indicators

The trust's objectives are to establish a firm foundation of open academies with sufficient resources to provide funds for investment in education methods and supporting technologies. Local business managers work with the Trust and their Principals to agree an annual budget and sustainable long term forecast. Budgets are reviewed and approved by the Academy Transformation Trust Board. The trust's Principal Financial Officer monitors the financial performance throughout the year through the delivery of central monitoring reviews, monthly management accounts and commentaries provided by each academy. Performance against key performance indicators is set out in the Objectives and Activities section.

Going Concern

After making appropriate enquiries, the governing body has a reasonable expectation that the Academy Transformation Trust will have adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

Financial Review

The principal source of funding for the Trust is the General Annual Grant (GAG), together with Pupil Premium and Local Authority Grants. Expenditure has supported the key financial objectives of the Trust which are to:

- Efficiently expend Trust funds to effectively support the Trust's educational plans and ambitions;
- Ensure the on-going solvency of each Academy;
- Work efficiently with other educational institutions to efficiently share costs;
- Improve the Trust estate over the short and medium term.

Academy Transformation Trust financial performance for the year was in line with expectations. Total turnover for the year amounts to £71.2 million, (2014: £72.1 million), of which £7.4 million, (2014: £9.0 million) relates to donations of land and buildings to the Trust on conversion to academy status. Excluding non-cash donations of fixed assets and the effects of FRS 17 valuations, the Trust suffered a loss of £1.3 million, (2014: surplus £2.8 million), which resulted in a decrease of general (free) reserves from £5.0 million to £3.7 million.

Reserves Policy

The Trust's policy on reserves is to maintain sufficient reserves to enable the Trust to operate effectively in what is becoming a less certain economic and funding environment, to address any current year shortfall in funding, or to use them in the on-going investment in the academy trust estate, subject to satisfying terms and conditions of the grant funding.

The Board or Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

The outcomes of these factors will inform the Trust's long term reserves policy. However as an interim measure, the Board of Trustees has agreed that the minimum level of reserves held for revenue

Trustees' Report (continued)

purposes should fall no lower than £1.35 million. This is equivalent to £100,000 reserve per secondary Academy and £50,000 per primary.

The academy network level of free reserves as at 31 August 2015 (total funds less the amount held in fixed assets or committed funds) is £3.7 million (2014: £5.0 million).

Investment Policy

The Academy Transformation Trust does not currently have an investment policy as there are no investments. Should a decision be taken to consider a strategy requiring investment, this would be enshrined in policy.

Principal Risks and Uncertainties

The Board of Trustees has assessed the major risks to which the trust is exposed and these are summarised in the trust's Risk Register. The Board of Trustees have implemented a number of systems to assess risks that the Trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, and safeguarding) and in relation to the control of finance. They have introduced mitigating controls, including operational procedures and internal financial controls in order to minimise risk. Where significant financial risk still remains they have ensured they have adequate insurance cover.

The key risks identified in the trust's Risk Register and mitigating controls are as follows:

Risk	Mitigating controls
Safeguarding procedures are not robust enough to assure, within reason, we do everything we can to protect our pupils.	Head Office audits monitoring academy performance with safeguarding annually. Academy safeguarding procedures reviewed annually as part of review progress. All key policies developed and in place including: safeguarding, pre-employment checks, safer recruitment, health and safety, anti-bullying, racist logs, behaviour policy, PSHE policy, exclusions, alternative provision, trips.
Failure to improve academies within year and ultimately within the three year timeframe set by the Trust.	Rigorous monitoring of each academy, including data drops each half term. Regular reviews in all academies to identify issues. New financial plans to enable support where needed.
Fail to adequately manage reserves across the Trust.	Annual budget setting process. Monthly management accounts. Central "emergency fund" pot that each academy pays into.

Trustees' Report (continued)

Disabled Employees

The Academies policy in respect of disabled persons is that their applications for employment are always fully and fairly considered bearing in mind the aptitudes and abilities of the applicant concerned. In the event of a member of staff becoming disabled, every effort is made to ensure that employment with the Academy continues and where necessary, appropriate training is arranged. It is the Academies policy that training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees in a similar position."

Employee Involvement

During the financial year the trustees have been pro active to introduce, maintain and develop arrangements aimed at:

1. Providing employees systematically with information on matters of concern to them as employees.
2. Consulting employees on a regular basis so that the views of employees can be taken into account in making decisions which are likely to affect their interests.
3. Encouraging the involvement of employees in the company's performance through giving them wider opportunities as the schools develop.
4. Achieving a common awareness on the part of all employees of the financial and economic factors affecting the performance of the company.

The term "employee" does not include a person employed to work wholly or mainly outside the United Kingdom. There has been no such person in the financial year.

Plans for Future Periods

The Trust plans for further growth in the number of academies it runs; however these will be located in the regions where ATT already has academies.

Funds Held as Custodian Trustee on Behalf of Others

There are no funds held as Custodian Trustee on behalf of others.

Auditor

Insofar as the trustees are aware:

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

The auditors are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 21 December 2015 and signed on the board's behalf by:



Stephen Tilsley
Chairman (interim)

Governance Statement

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the chief executive, 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 master and supplementary funding agreements between Academy Transformation Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met **five** times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Neil Flint (Chairman)	5	5
Ian Cleland (CEO and accounting officer)	5	5
Brett Westwood	3	5
Joyce Hodgetts	5	5
Kate Taylor	4	5
Keith Panes	2	3
Amy Leonard	5	5
Steve Tilsley	5	5
Bernard Dickenson	1	1
Dr Christopher Field	1	1

Governance reviews:

The board has worked with professional advisers during the year to ensure that the skill set and focus of the board provides the right level of challenge. The Audit Committee has completed a review of its work over the year and the board of trustees plans to perform a self-review exercise once a year.

The audit committee is a sub-committee of the main board of trustees. Its purpose is to provide assurance over the suitability of, and compliance with, its financial systems and controls. In addition the audit committee has responsibility for monitoring the key risks of the organisation.

Attendance during the year at meetings of the audit committee was as follows:

Trustee	Meetings attended	Out of a possible
Kate Taylor	4	4
Keith Panes	2	2
Steve Tilsley	4	4
Bernard Dickenson	1	1
Joyce Hodgetts	4	4

Governance Statement (continued)

Review of Value for Money

As accounting officer the chief executive 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 value for money during the year by:

- effective workforce deployment - employed a recruitment manager, responsible for implementing a recruitment and retention strategy to appoint and retain high quality teachers;
- improving procurement - cost savings achieved by negotiating a new photocopier contract for the whole of the trust and improved project management, resulting in significant reduction of capital costs;
- more effective governance and accountability - taken specific steps to increase skills of local governing bodies and provided them with user-friendly, jargon-free management reports.

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 in Academy Transformation Trust for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The 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 on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is reviewed regularly 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, forecasts and historic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance Director, Managing Director, CEO and the Board;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;

Governance Statement (continued)

- delegation of authority and segregation of duties;
- identification and management of risks.

The external auditors (Mazars LLP) completed 3 responsible officer visits to each school during the year.

Review of Effectiveness

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

- the work of the external auditor; and
- 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 audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 21 December 2015 and signed on its behalf by:



Stephen Tilsley
Chairman (interim)



Ian Cleland
CEO and Accounting Officer



Statement on Regularity, Propriety and Compliance

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

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

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

A handwritten signature in black ink, appearing to read "IAN CLELAND", with a long, sweeping underline.

Ian Cleland
CEO and Accounting Officer

21 December 2015

Statement of Trustees' Responsibilities

The trustees (who act as governors for charitable activities of Academy Transformation 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 Annual 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 statement of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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 to 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 financial statements may differ from legislation in other jurisdictions.

Approved by order of the members of the board of trustees on 21 December 2015 signed on its behalf by:



Stephen Tilsley
Chairman (interim)



Independent Auditor's Report on the Financial Statements to the Board of Trustees of the Academy Transformation Trust

We have audited the financial statements of Academy Transformation Trust for the period ended 31 August 2015 which comprises the Statement of Financial Activities (incorporating the income and expenditure account), the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), the Academies: Accounts Direction 2014 to 15 issued by the Education Funding Agency.

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

Respective Responsibilities of Directors and Auditor

As explained more fully in the Statement of Directors' Responsibilities on page 15, the Directors (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 Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

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

Opinion on the 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 prepared in accordance with United Kingdom Generally Accepted Accounting Practice;



Independent Auditor's report on the Financial Statements to the Board of Trustees of Academy Transformation Trust (continued)

Opinion on the other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

David Hoose

David Hoose (Senior Statutory Auditor)

For and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Park View House

58 The Ropewalk

Nottingham

NG1 5DW

22 December 2015



Independent Reporting Accountant's Assurance Report on Regularity to Academy Transformation Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 18 August 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Academy Transformation Trust during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Academy Transformation Trust and the EFA in accordance with the terms of our engagement letter dated 18 August 2015. Our work has been undertaken so that we might state to Academy Transformation Trust and the EFA those matters we are required to state to it 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 Academy Transformation Trust and the EFA, for our review work, for this report, or for the opinion we have formed.

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

The accounting officer is responsible, under the requirements of Academy Transformation Trust's funding agreement with the Secretary of State for Education dated 5 September 2012 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity.

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure.



Independent Reporting Accountants Assurance Report on Regularity to the Academy Transformation Trust and the Education Funding Agency (continued)

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

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

Conclusion

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

Mazars LLP

David Hoose, Reporting Accountant
for and on behalf of Mazars LLP
Chartered Accountants and Statutory Auditor

Park View House
58 The Ropewalk
Nottingham
NG1 5DW

22 December 2015

Statement of Financial Activities for the Year to 31 August 2015
(including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Notes	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2015 £'000	Total 2014 £'000
Incoming resources						
<i>Incoming resources from generated funds:</i>						
- Voluntary income	2	175	0	0	175	42
- Voluntary income - transfer from Local Authority on conversion	3, 35	628	(792)	7,415	7,251	7,286
- Activities for generating funds	4	2,125	0	0	2,125	2,224
- Investment income	5	77	0	0	77	56
- Other income	6	0	669	0	669	762
<i>Incoming resources from charitable activities:</i>						
- Funding for the academy trust's educational operations	7	0	55,149	5,725	60,874	61,777
Total incoming resources		3,005	55,026	13,140	71,171	72,147
Resources expended						
<i>Cost of generating funds;</i>						
- Costs of generating voluntary income	9	92	0	0	92	0
- Costs of activities for generating funds	10	2,084	0	0	2,084	671
<i>Charitable activities:</i>						
- Academy trust's educational operations	11	1,164	57,077	1,935	60,176	62,104
Governance costs	12	0	87	0	87	87
Total resources expended		3,340	57,164	1,935	62,439	62,862
Net incoming / (outgoing) resources before transfers		(335)	(2,138)	11,205	8,732	9,285
Gross transfers between funds		(477)	(56)	533	0	0
Net income/(expenditure) for the year	23	(812)	(2,194)	11,738	8,732	9,285
Other recognised gains and losses:						
Actuarial gains / (losses) on defined benefit pension schemes	23, 33	0	(67)	0	(67)	(2,476)
Net movement in funds		(812)	(2,261)	11,738	8,665	6,809
Reconciliation of funds						
Funds brought forward at 1 September 2014		3,367	(13,413)	83,930	73,884	67,075
Funds carried forward at 31 August 2015		2,555	(15,674)	95,668	82,549	73,884

All of the academy trust's activities derive from continuing operations and acquisitions during the above two financial periods.



Consolidated Balance Sheet as at 31st August 2015

Company Number 07846852

	Notes	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Fixed Assets					
Tangible assets	17		91,163		83,930
Total fixed assets			<u>91,163</u>		<u>83,930</u>
Current Assets					
Stock	18	42		19	
Debtors	19	5,111		2,800	
Cash at bank and in hand	20	8,545		8,635	
Total current assets		<u>13,698</u>		<u>11,454</u>	
Liabilities					
Creditors: Amounts falling due within one year	21	<u>(4,909)</u>		<u>(5,488)</u>	
Net current assets			8,789		5,966
Total assets less current liabilities			<u>99,952</u>		<u>89,896</u>
Creditors: Amounts falling due after more than one year	22		(626)		(956)
Net assets excluding pension liability			<u>99,326</u>		<u>88,940</u>
Pension scheme liability	33		(16,777)		(15,056)
Net assets including pension liability			<u>82,549</u>		<u>73,884</u>
Funds of the academy;					
Restricted funds					
- Fixed asset fund	23		95,668		83,930
- General fund	23		1,103		1,643
- Pension reserve	23		(16,777)		(15,056)
Total restricted funds			<u>79,994</u>		<u>70,517</u>
Unrestricted funds					
- General fund	23		2,519		3,340
- Designated fund	23		36		27
Total unrestricted funds			<u>2,555</u>		<u>3,367</u>
Total Funds			<u>82,549</u>		<u>73,884</u>

The financial statements on pages 22 to 57 were approved by the Directors, and authorised for issue on 21 December 2015 and signed on their behalf by:

Ian Cleland
CEO and Accounting Officer



Company Balance Sheet as at 31st August 2015

Company Number 07846852

	Notes	2015 £'000	2015 £'000	2014 £'000	2014 £'000
Fixed Assets					
Tangible assets	17		91,136		83,902
Total fixed assets			<u>91,136</u>		<u>83,902</u>
Current Assets					
Stock	18	42		17	
Debtors	19	5,023		2,657	
Cash at bank and in hand	20	8,536		8,564	
Total current assets		<u>13,601</u>		<u>11,238</u>	
Liabilities					
Creditors: Amounts falling due within one year	21	<u>(4,805)</u>		<u>(5,170)</u>	
Net current assets			8,796		6,068
Total assets less current liabilities			<u>99,932</u>		<u>89,970</u>
Creditors: Amounts falling due after more than one year	22		(626)		(956)
Net assets excluding pension liability			<u>99,306</u>		<u>89,014</u>
Pension scheme liability	33		(16,777)		(15,056)
Net assets including pension liability			<u>82,529</u>		<u>73,958</u>
Funds of the academy;					
Restricted funds					
- Fixed asset fund	23		95,641		83,902
- General fund	23		1,103		1,643
- Pension reserve	23		(16,777)		(15,056)
Total restricted funds			<u>79,967</u>		<u>70,489</u>
Unrestricted funds					
- General fund	23		2,526		3,442
- Designated fund	23		36		27
Total unrestricted funds			<u>2,562</u>		<u>3,469</u>
Total Funds			<u>82,529</u>		<u>73,958</u>

The financial statements on pages 22 to 57 were approved by the Directors, and authorised for issue on 21 December 2015 and signed on their behalf by:

Ian Cleland
CEO and Accounting Officer

Cash Flow Statement for the year ended 31 August 2015

	Notes	2015 £'000	2014 £'000
Net cash inflow / (outflow) from operating activities	27	(4,767)	4,346
Cash transferred on conversion to an Academy Trust	28	628	113
Returns on investment and servicing of finance	29	77	56
Net cash outflow from capital expenditure	30	3,972	(1,350)
Increase / (decrease) in cash in the year		<u>(90)</u>	<u>3,165</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September	31	8,635	5,470
Net funds at 31 August		<u>8,545</u>	<u>8,635</u>



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

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 Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by EFA and the Companies Act 2006.

The Statement of Financial Activities and Balance Sheet consolidate the financial statements of the academy trust and its subsidiary undertaking. No separate Statement of Financial Activities has been presented for the academy trust alone as permitted by section 408 of the Companies Act 2006. The Academy Transformation Trust surplus in the year was £8,683k (2014 surplus: £6,883k).

A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Conversion to an Academy Trust

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

The assets and liabilities transferred on conversion from each school to the academy trust have been valued at their fair value being a reasonable estimate of the current market value that the trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Academy Transformation Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transactions are set out in note 30.

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. The directors make this assessment in respect of a period of one year from the date of approval of the financial statements.

Incoming Resources

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

o Grants receivable

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

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

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

o Sponsorship Income

Sponsorship income is 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.

o Donations

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

o Other income

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

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

1. Statement of Accounting Policies (continued)

Incoming Resources (continued)

o **Donated goods, facilities and services**

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 is as a fixed asset in which case the amount is included in the appropriate fixed assets category and depreciated over the useful economic life in accordance with academy trust's accounting policies.

Resources Expended

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

o **Costs of generating funds**

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

o **Charitable activities**

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

o **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

Assets costing £2,500 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. Where tangible 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 freehold and leasehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line over its expected useful economic lives, as follows:

o Freehold buildings	2%	(50 years)
o Long leasehold buildings	2%	(50 years)
o Furniture and equipment	10%	(10 years)
o Computer equipment	33%	(3 years)
o Motor Vehicle	20%	(5 years)

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

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

No depreciation is charged in the year of acquisition on tangible assets.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

1. Statement of Accounting Policies (continued)

Leased Assets

Rentals under operating leases are charged on an annual, quarterly or monthly basis over the lease term.

Investments

The academy's shareholding in the wholly owned subsidiary, Mark Hall Sports Services Limited, is included in the balance sheet at the cost of the share capital owed. There is no readily available market value and the cost of valuation exceeds the benefit derived.

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 part 11, chapter 3 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'), the Local Government Pension Scheme ('LGPS') and a defined contribution pension scheme. The first two are defined benefit schemes and the assets are held separately from those of the academy trust.

Teachers' Pension Scheme

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 33, 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.

Local Government Pension Schemes

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.

Defined contribution scheme

Head office employees have the option of joining a defined contribution scheme operated by Aviva. The pension costs for the scheme represent the contributions payable by the company in the period.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

1. Statement of Accounting Policies (continued)

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 governors.

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

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder / donor and include grants from the Education Funding Agency / Department for Education.

Agency Arrangements

The academy trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the statement of financial activities as the trust does not have control over the charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the statement of financial activities. The funds received and paid and any balances held are disclosed in note 36.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

2 Voluntary income e

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2015 £'000	Total 2014 £'000
School Fund Income	101	0	0	101	0
Other Donations	74	0	0	74	42
	175	0	0	175	42

3 Voluntary income - transfer from Local Authority on conversion

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2015 £'000	Total 2014 £'000
Fixed assets	0	0	7,415	7,415	9,037
Budget surplus on Local Authority funds	628	0	0	628	113
Defined benefit pension scheme deficit	0	(792)	0	(792)	(1,864)
	628	(792)	7,415	7,251	7,286

4 Activities for generating funds

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2015 £'000	Total 2014 £'000
Catering income	1,028	0	0	1,028	938
Lettings income	683	0	0	683	694
Music service income	23	0	0	23	21
Trip income	297	0	0	297	479
Uniform income	94	0	0	94	92
	2,125	0	0	2,125	2,224

5 Investment income e

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2015 £'000	Total 2014 £'000
Short term deposits	77	0	0	77	56
	77	0	0	77	56

6 Other income e

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2015 £'000	Total 2014 £'000
Adult learner fees	0	131	0	131	118
Educational visits	0	162	0	162	179
Insurance claims	0	51	0	51	102
Sales of goods and services to students	0	184	0	184	265
Staff absence insurance income	0	88	0	88	98
Other income	0	53	0	53	0
	0	669	0	669	762

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

7 Funding for the Academy Trust's educational operations

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2015 £'000	Total 2014 £'000
DfE / EFA capital grants					
Academies Capital Maintenance Fund (ACMF)	0	0	806	806	2,422
Devolved Formula Capital (DFC)	0	0	224	224	205
School Conditions Allocation (SCA)	0	0	4,507	4,507	0
	0	0	5,537	5,537	2,627
Other capital grants					
Local Authority capital grants	0	0	188	188	277
Restricted donated capital grant	0	0	0	0	0
	0	0	188	188	277
DfE / EFA revenue grants					
General Annual Grant (GAG)	0	46,843	0	46,843	49,634
Pupil premium	0	2,993	0	2,993	3,050
Start-Up Grants (SUG)	0	160	0	160	523
Other DfE / EFA grants	0	2,122	0	2,122	2,849
	0	52,118	0	52,118	56,056
Other LA/Government revenue grants					
Looked After Children grants	0	134	0	134	78
Special educational projects	0	1,082	0	1,082	1,261
Other Local Authority/Government grants	0	1,815	0	1,815	1,478
	0	3,031	0	3,031	2,817
	0	55,149	5,725	60,874	61,777

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

8 Resources Expended

	Non Pay Expenditure			Total 2015 £'000	Total 2014 £'000
	Staff Costs £'000	Premises £'000	Other Costs £'000		
Costs of generating voluntary income	0	0	92	92	0
Costs of activities for generating funds	433	0	1,651	2,084	671
Academy's educational operations:					
- Direct costs	36,556	0	3,996	40,552	40,004
- Allocated support costs	9,587	3,497	6,540	19,624	22,100
	46,143	3,497	10,536	60,176	62,104
Governance costs including allocated support costs	0	0	87	87	87
	46,576	3,497	12,366	62,439	62,862

Net income/(expenditure) for the period includes:

	2015 £'000	2014 £'000
Operating leases:		
- land and buildings	131	72
- equipment	267	290
	398	362
Fees payable to auditor for:		
- audit	70	67
- other services	10	11
	80	78

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

9 Cost of generating funds - costs of generating voluntary income

	Unrestricted	Restricted	Restricted	Total 2015	Total 2014
	Funds	General	Fixed Asset		
	£'000	£'000	£'000	£'000	£'000
School Fund expenditure	92	0	0	92	0
	92	0	0	92	0

10 Cost of generating funds - costs of activities for generating funds

	Unrestricted	Restricted	Restricted	Total 2015	Total 2014
	Funds	General	Fixed Asset		
	£'000	£'000	£'000	£'000	£'000
Catering provision	746	0	0	746	0
Catering provision - staff costs	260	0	0	260	0
Lettings provision	255	0	0	255	0
Lettings provision - staff costs	173	0	0	173	0
Music service costs	76	0	0	76	92
Trip expenditure	480	0	0	480	434
Uniform expenditure	94	0	0	94	145
	2,084	0	0	2,084	671

11 Charitable Activities - Academy's educational operations

	Unrestricted	Restricted	Restricted	Total 2015	Total 2014
	Funds	General	Fixed Asset		
	£'000	£'000	£'000	£'000	£'000
Direct costs - educational operations					
Teaching and educational support staff costs	1,164	35,392	0	36,556	36,488
Depreciation	0	0	378	378	0
Technology costs	0	595	0	595	464
Educational supplies	0	1,635	0	1,635	1,915
Examination fees	0	753	0	753	804
Staff development	0	0	0	0	0
Educational consultancy	0	635	0	635	333
Other direct costs	0	0	0	0	0
	1,164	39,010	378	40,552	40,004
Support costs - educational operations					
Support staff costs	0	9,587	0	9,587	10,670
Depreciation	0	0	1,557	1,557	1,597
Technology costs	0	1,166	0	1,166	749
Recruitment and support	0	497	0	497	403
Maintenance of premises and equipment	0	1,439	0	1,439	1,461
Cleaning	0	564	0	564	826
Rent and rates	0	372	0	372	345
Energy costs	0	1,122	0	1,122	1,393
Insurance	0	440	0	440	833
Security and transport	0	188	0	188	220
Catering	0	413	0	413	1,203
Bank interest and charges	0	28	0	28	26
Project management and other operations	0	0	0	0	660
Other support costs	0	2,251	0	2,251	1,714
	0	18,067	1,557	19,624	22,100
Total direct and support costs	1,164	57,077	1,935	60,176	62,104

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

12 Governance costs

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2015 £'000	Total 2014 £'000
Legal and professional fees	0	5	0	5	0
Auditors' remuneration:					
- Audit of financial statements	0	70	0	70	67
- Other audit costs	0	10	0	10	11
Trustees' reimbursed expenses	0	2	0	2	9
	<u>0</u>	<u>87</u>	<u>0</u>	<u>87</u>	<u>87</u>

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

13 a Staff costs

<i>Staff costs during the period were:</i>	2015 £'000	2014 £'000
Wages and salaries	36,631	36,986
Social security costs	2,579	2,656
Other pension costs	5,833	5,667
	<u>45,043</u>	<u>45,309</u>
Supply staff costs	1,291	1,362
Staff restructuring costs	242	487
	<u>46,576</u>	<u>47,158</u>
Catering provision - staff costs (see note 10)	260	0
Lettings provision - staff costs (see note 10)	173	0
Teaching and educational support staff costs (see note 11)	36,556	36,488
Support staff costs (see note 11)	9,587	10,670
	<u>46,576</u>	<u>47,158</u>

b Staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £110,802 (2014: £466,000). Individually, the payments were: £5,802, £10,000, £15,000, £20,000, £30,000 and £30,000.

c Staff numbers

The average number of persons (including senior management team) employed by the Academy during the year ended 31 August 2015 expressed as full time equivalents was as follows:

	2015 No.	2014 No.
<i>Charitable Activities</i>		
Teachers	695	513
Administration and support	520	646
Management	85	76
	<u>1,300</u>	<u>1,235</u>

d Higher paid staff

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

	2015 No.	2014 No.
£60,001 - £70,000	9	10
£70,001 - £80,000	10	7
£80,001 - £90,000	5	0
£90,001 - £100,000	4	5
£100,001 - £110,000	4	2
£110,001 - £120,000	0	0
£120,001 - £130,000	0	0
£130,001 - £140,000	0	0
£140,001 - £150,000	0	1
£150,001 - £160,000	0	0
£160,001 - £170,000	1	1
£170,001 - £180,000	0	0
£180,001 - £190,000	1	0

Twenty five of the above employees participated in the Teachers' Pension Scheme (2014: 21). During the year ended 31 August 2015, pension contributions for these staff members amounted to £281,472 (2014: £237,502). Seven of the above employees participated in a money purchase scheme (2014: 5), pension contributions amounted to £60,247 (2014: £57,132).

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

14 Trustees' remuneration and expenses

Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as trustees. Other trustees did not receive any payment, other than expenses, from the academy trust in respect of their roles as trustees. The value of trustee's remuneration and other benefits was as follows:

Ian Cleland (chief Executive Officer and trustee)

Remuneration	£180,001 - £190,000 (2014: £160,001 - £170,000)
Employer's pension contributions	£10,001 - £20,000 (2014: £10,001 - £20,000)

Joyce Hodgetts (Managing Director and trustee)

Remuneration	£160,001 - £170,000 (2014: £140,001 - £150,000)
Employer's pension contributions	£10,001 - £20,000 (2014: £10,001 - £20,000)

During the year ended 31 August 2015, travel and subsistence expenses totalling £1,689 (2014: £9,487) were reimbursed to 11 trustees (2014: 4).

Other related party transactions involving the trustees are set out in note 34.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

15 Central Services

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

- Asset management
- Financial services (including finance software)
- HR services
- Risk management
- School improvement
- Staff development
- Statutory reporting
- Treasury management

The academy trust charge for this services on the following basis:

- Secondary fee £165,000 - £169,500
- Primary fee £41,200 - £56,500

The academy trust is currently reviewing the method that it uses to charge the academies within the trust, and is looking to adopt a policy that links with the reserve strategy and allows the trust to allocate funds on a priority basis. The trustees believe that this will maximise the performance of the trust.

The actual amounts charged during the year were as follows:

	2015 £'000	2014 £'000
- Admirals Academy	51	45
- Bristnall Hall Academy	170	150
- Diamond Academy	41	40
- Great Heath Academy	4	0
- Icen Academy	178	162
- Jubilee Academy Mossley	41	40
- Kingsmoor Academy	41	40
- Mark Hall Academy	165	150
- Mildenhall College Academy	170	150
- Norwich Road Academy	56	50
- Ravens Academy	46	40
- Star Academy	41	40
- Sun Academy Bradwell	3	0
- Sutton Community Academy	225	150
- The Dukeries Academy	170	150
- The Hathaway Academy	165	150
- The Nicholas Hamond Academy	165	150
- Westbourne Academy	170	150
	1,902	1,657

Included in the amount charged to Icen Academy is a fee for Icen Primary Academy of £13,200 and included in the amount charged to Sutton Community Academy is a fee for ATT Trust Further Education of £60,000. Great Heath Academy and Sun Academy Bradwell joined the trust on 1 August 2015 and their amounts represents one month fee (annual amounts respectively £56,500 and £41,200).

16 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 costs for the year ended 31 August 2015 was £6,185 (2014: £5,000). The cost of this insurance is included in the total insurance cost.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

17 Tangible Fixed Assets

Consolidated	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Furniture and Equipment £'000	Computer Equipment £'000	Motor Vehicles £'000	Assets under Construction £'000	Total 2015 £'000
Cost							
At 1 September 2014	13,603	70,920	817	908	6	0	86,254
Re-classification of assets	2,634	(2,634)	0	(9)	9	0	0
Inherited assets	0	7,415	0	0	0	0	7,415
Additions	142	960	119	300	0	232	1,753
Transfer of AuC	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
At 31 August 2015	16,379	76,661	936	1,199	15	232	95,422
Depreciation							
At 1 September 2014	(267)	(1,920)	(43)	(93)	(1)	0	(2,324)
Re-classification of assets	(136)	136	0	3	(3)	0	0
Charged in year	(249)	(1,303)	(83)	(296)	(4)	0	(1,935)
Disposals	0	0	0	0	0	0	0
At 31 August 2015	(652)	(3,087)	(126)	(386)	(8)	0	(4,259)
Net book values							
At 31 August 2015	15,727	73,574	810	813	7	232	91,163
At 31 August 2014	13,336	69,000	774	815	5	0	83,930
Company							
	Freehold Land and Buildings £'000	Leasehold Land and Buildings £'000	Furniture and Equipment £'000	Computer Equipment £'000	Motor Vehicles £'000	Assets under Construction £'000	Total 2015 £'000
Cost							
At 1 September 2014	13,602	70,920	796	902	6	0	86,226
Re-classification of assets	2,633	(2,633)	0	(9)	9	0	0
Inherited assets	0	0	0	0	0	0	0
Additions	142	8,375	113	300	0	232	9,162
Transfer of AuC	0	0	0	0	0	0	0
Disposals	0	0	0	0	0	0	0
At 31 August 2015	16,377	76,662	909	1,193	15	232	95,388
Depreciation							
At 1 September 2014	(267)	(1,920)	(43)	(93)	(1)	0	(2,324)
Re-classification of assets	(136)	136	0	3	(3)	0	0
Charged in year	(249)	(1,303)	(78)	(294)	(4)	0	(1,928)
Disposals	0	0	0	0	0	0	0
At 31 August 2015	(652)	(3,087)	(121)	(384)	(8)	0	(4,252)
Net book values							
At 31 August 2015	15,725	73,575	788	809	7	232	91,136
At 31 August 2014	13,335	69,000	753	809	5	0	83,902

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

18 **Stock**

	Company 2015 £'000	Consolidated 2015 £'000	Company 2014 £'000	Consolidated 2014 £'000
Catering	0	0	0	2
Clothing	42	42	17	17
	<u>42</u>	<u>42</u>	<u>17</u>	<u>19</u>

19 **Debtors**

	Company 2015 £'000	Consolidated 2015 £'000	Company 2014 £'000	Consolidated 2014 £'000
Trade debtors	315	363	326	438
VAT due from HM Revenue & Customs	359	359	921	921
Prepayments	530	530	437	447
Accrued income	3,739	3,739	621	621
Sundry debtors	80	120	352	373
	<u>5,023</u>	<u>5,111</u>	<u>2,657</u>	<u>2,800</u>

20 **Cash at bank and in hand**

	Company 2015 £'000	Consolidated 2015 £'000	Company 2014 £'000	Consolidated 2014 £'000
Amounts held by commercial banks	8,527	8,536	8,557	8,628
Petty cash	9	9	7	7
	<u>8,536</u>	<u>8,545</u>	<u>8,564</u>	<u>8,635</u>

21 **Creditors: amounts falling due within one year**

	Company 2015 £'000	Consolidated 2015 £'000	Company 2014 £'000	Consolidated 2014 £'000
Trade creditors	1,827	1,902	2,747	2,874
Taxation, social security and pension contributions	1,268	1,274	451	453
Accruals	418	430	968	973
Deferred income	996	1,002	35	35
Other creditors	296	301	969	1,153
	<u>4,805</u>	<u>4,909</u>	<u>5,170</u>	<u>5,488</u>

Deferred income

	Company 2015 £'000	Consolidated 2015 £'000	Company 2014 £'000	Consolidated 2014 £'000
Deferred income at 1 September	35	35	190	190
Resources deferred in the year	996	1,002	35	35
Amounts released from previous years	(35)	(35)	(190)	(190)
Deferred income at 31 August	<u>996</u>	<u>1,002</u>	<u>35</u>	<u>35</u>

The deferred income held at 31 August 2015 is broken down as follows:

Devolved Formula Capital grant	0	0	15	15
Lettings	7	13	0	0
Local Authority grants	628	628	0	0
Other DfE/EFA revenue grants	231	231	0	0
Rates relief	78	78	20	20
Universal infant free school meals	52	52	0	0
	<u>996</u>	<u>1,002</u>	<u>35</u>	<u>35</u>

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

22 Creditors: amounts falling due after more than one year

	Company 2015 £'000	Consolidated 2015 £'000	Company 2014 £'000	Consolidated 2014 £'000
Loans	626	626	781	781
Other creditors	0	0	175	175
	<u>626</u>	<u>626</u>	<u>956</u>	<u>956</u>

Included within loans is an amount of £59,958 (2014: £292,875) which falls due in greater than 5 years, which relates to repayments on the Salix loans. The Salix loans are interest free.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

23 Funds of the academy

Consolidated	Balance at 1 September 2014 £'000	Incoming resources £'000	Resources expended £'000	Gains / losses and transfers £'000	Balance at 31 August 2015 £'000
Restricted fixed asset funds					
Inherited assets on conversion	78,774	7,415	(1,480)	0	84,709
DfE/EFA Capital grants	2,969	5,725	(265)	0	8,429
Capital expenditure from GAG	21	0	(3)	0	18
Capital expenditure from unrestricted funds	1,408	0	(172)	533	1,769
Other Local Authority/Government capital grants	758	0	(15)	0	743
	<u>83,930</u>	<u>13,140</u>	<u>(1,935)</u>	<u>533</u>	<u>95,668</u>
Restricted general funds					
General Annual Grant (GAG)	1,643	46,843	(47,327)	(56)	1,103
Pupil Premium	0	2,993	(2,993)	0	0
Start Up Grant (SUG)	0	160	(160)	0	0
Other DfE/ EFA grants	0	2,122	(2,122)	0	0
Other Local Authority/Government grants	0	3,031	(3,031)	0	0
Activities for generating funds	0	669	(669)	0	0
	<u>1,643</u>	<u>55,818</u>	<u>(56,302)</u>	<u>(56)</u>	<u>1,103</u>
Restricted pension reserve					
Pension reserve	(15,056)	(792)	(862)	(67)	(16,777)
	<u>(15,056)</u>	<u>(792)</u>	<u>(862)</u>	<u>(67)</u>	<u>(16,777)</u>
Total Restricted Funds	<u>70,517</u>	<u>68,166</u>	<u>(59,099)</u>	<u>410</u>	<u>79,994</u>
Unrestricted funds					
General funds	3,340	2,904	(3,248)	(477)	2,519
<i>Designated funds</i>					
- School fund	27	101	(92)	0	36
	<u>3,367</u>	<u>3,005</u>	<u>(3,340)</u>	<u>(477)</u>	<u>2,555</u>
Total Funds	<u>73,884</u>	<u>71,171</u>	<u>(62,439)</u>	<u>(67)</u>	<u>82,549</u>

Under the master 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 2015.

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

Restricted fixed asset funds

Incoming resources have been spent on capital expenditure, resources expended is depreciation on fixed assets purchased in previous academic year's (as per the Trust's fixed assets policy), and transfer between funds are represented by capital expenditure funded by revenue income. Therefore balances carried forward on these funds have been committed in future years for depreciation.

Restricted general funds

This fund represents grants received for the Academy's Trust operational activities and development. From time to time, additional funds are applied as set out for specific purposes laid down by the grant provider and to be used in the short term. This includes the pension reserve which represents the potential liability due by the academies at the year end.

Unrestricted funds

The unrestricted funds represents self-generated income that can be used at the discretion of the Trustees to meet the charitable objectives of the Academy Trust.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

23 Funds of the academy (continued)

Company	Balance at 1 September 2014 £'000	Incoming resources £'000	Resources expended £'000	Gains / losses and transfers £'000	Balance at 31 August 2015 £'000
Restricted fixed asset funds					
Inherited assets on conversion	78,774	7,415	(1,480)	0	84,709
DfE/EFA Capital grants	2,969	5,725	(265)	0	8,429
Capital expenditure from GAG	21	0	(3)	0	19
Capital expenditure from unrestricted funds	1,380	0	(166)	527	1,742
Other Local Authority/Government capital grants	758	0	(15)	0	743
	<u>83,902</u>	<u>13,140</u>	<u>(1,929)</u>	<u>527</u>	<u>95,640</u>
Restricted general funds					
General Annual Grant (GAG)	1,643	46,843	(47,327)	(56)	1,103
Pupil Premium	0	2,993	(2,993)	0	0
Start Up Grant (SUG)	0	160	(160)	0	0
Other DfE / EFA grants	0	2,122	(2,122)	0	0
Other Local Authority/Government grants	0	3,031	(3,031)	0	0
Activities for generating funds	0	669	(669)	0	0
	<u>1,643</u>	<u>55,817</u>	<u>(56,301)</u>	<u>(56)</u>	<u>1,103</u>
Restricted pension reserve					
Pension reserve	(15,056)	(792)	(862)	(67)	(16,777)
	<u>(15,056)</u>	<u>(792)</u>	<u>(862)</u>	<u>(67)</u>	<u>(16,777)</u>
Total Restricted Funds	<u>70,489</u>	<u>68,165</u>	<u>(59,092)</u>	<u>404</u>	<u>79,966</u>
Unrestricted funds					
General funds	3,442	2,492	(2,936)	(471)	2,527
<i>Designated funds</i>					
- School fund	27	101	(92)	0	36
	<u>3,469</u>	<u>2,593</u>	<u>(3,028)</u>	<u>(471)</u>	<u>2,563</u>
Total Funds	<u>73,958</u>	<u>72,782</u>	<u>(64,144)</u>	<u>(67)</u>	<u>82,529</u>

Under the master 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 2015.

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

Restricted fixed asset funds

Incoming resources have been spent on capital expenditure, resources expended is depreciation on fixed assets purchased in previous academic year's (as per the Trust's fixed assets policy), and transfer between funds are represented by capital expenditure funded by revenue income. Therefore balances carried forward on these funds have been committed in future years for depreciation.

Restricted general funds

This fund represents grants received for the Academy's Trust operational activities and development. From time to time, additional funds are applied as set out for specific purposes laid down by the grant provider and to be used in the short term. This includes the pension reserve which represents the potential liability due by the academies at the year end.

Unrestricted funds

The unrestricted funds represents self-generated income that can be used at the discretion of the Trustees to meet the charitable objectives of the Academy Trust.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

23 Funds of the academy (continued)

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

Inherited assets on conversion

This fund reflects the fixed assets acquired from Local Authorities on conversion. Depreciation on these assets is charged against this fund over the useful life of the associated assets.

DfE/EFA Capital grants

Academy Capital Maintenance Fund (ACMF)

These funds have been allocated to the Trust for the delivery of the agreed projects (set out in a specific funding agreement), either tackling building condition issues or new build. Depreciation on these assets is charged against this fund over the useful life of the associated assets.

Devolved Formula Capital (DFC)

This funding has been received for utilisation on building improvements and other facilities, including ICT, or capital repairs/refurbishment. Depreciation on these assets is charged against this fund over the useful life of the associated assets.

School Condition Allocations (SCA)

Funding allocated to those bodies - local authorities and large multi-academy trusts - responsible for the maintenance of buildings. Depreciation on these assets is charged against this fund over the useful life of the associated assets.

Capital expenditure from GAG

This fund reflects the fixed assets acquired from GAG. Depreciation on these assets is charged against this fund over the useful life of the associated assets.

Capital expenditure from unrestricted funds

This fund reflects the fixed assets acquired from unrestricted general funds. Depreciation on these assets is charged against this fund over the useful life of the associated assets.

Other Local Authority/Government capital grants

This fund reflects capital building maintenance work completed as agreed with Local Authority post transfer on conversion. Depreciation on these assets is charged against this fund over the useful life of the associated assets.

General Annual Grant (GAG)

Under the master 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 2015.

Pupil premium

Pupil premium - this grant is received to support deprived children, the money can be spent in accordance with the Trust's practices.

Start-Up Grants (SUG)

Funding to help schools to bridge the gap between school opening and there being pupils in each year (school occupancy at full capacity). SUG has been used to help pay for educational supplies, post-opening staff recruitment costs, some initial senior staff training and cost of employing senior staff when the school opens ('staff diseconomy funding').

Other DfE/EFA grants

Included in other DfE/EFA grants are the following:

- Universal Infant Free School Meals - is received to offer a free school meal to all pupils in reception, year 1 and year 2 if their parents or carers are in receipt of specifically named benefits.
- PE teacher grant - to be used for releasing a secondary PE teacher from timetable for one day a week: to provide specialist PE and sport support to local schools and within their own school; to embed good practice; and to provide more competitive sport for all pupils, including the School Games.
- Skills Funding Agency - this money is received to fund skills training for further education (FE).
- Rates relief grant - is paid to schools to cover the costs for national non-domestic rates.
- Summer school grant - is received to cover a range of activities, including a focus on learning, catch-up and enrichment and familiarisation with a new school.
- Year 7 Catch-up Premium Grant - is paid to schools for pupils who did not achieve at least level 4 in reading and/or mathematics at Key Stage 2.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

23 Funds of the academy (continued)

Other Local Authority/government grants

Included in other LA/Government grants are the following:

- Looked After Children - this grant is received to support children who are "looked after" by the Local Authority.
- Special educational projects - this funding is to be used for one to one tuition of children on the special education register.

Activities for generating funds

Represents funds generated via activities such as adult learner fees (further education), secondment of staff and sales of goods and services to students. It also includes payments from insurers for sickness and absence of staff and claims for damages on property and contents. These funds are restricted due to the purpose for which they have been generated and therefore have been allocated to pay for the trusts' charitable activities.

Pension reserve

The pension reserve is the liability due to the deficit on the Local Government Pension Scheme overseen by the Local Authority. Incoming resources (negative) relates to pension scheme deficits transferred from Local Authority on conversion of Great Heath Academy and Sun Academy. Resources expended relates to operating charges and pension finance costs. Transfers between funds of £66,000 relates to actuarial losses on defined benefit pension schemes.

General funds

Represents funds generated via activities such as from catering, lettings, music services, trips, sale of uniforms, investment income and bank interest receivable. It also includes donations, school fund income and the brought forward surplus on conversion to academy status. These funds can be used at the discretion of the Trustees to meet the charitable objectives of the academy trust.

Designated funds

These are unrestricted funds available for the general purpose of the organisation, but which the Trustees have chosen to earmark for a particular purpose. Funds are represented by school fund balances in Bristnall Hall £25,840 and Mark Hall Academy £10,531.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

23 Funds of the academy (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows:

	Total 2015 £'000	Total 2014 £'000
Admirals Academy	900	767
Bristnall Hall Academy	485	1,255
Diamond Academy	265	111
Great Heath Academy	376	0
Head Office	167	35
Iceni Academy	(131)	234
Jubilee Academy Mossley	352	234
Kingsmoor Academy	179	77
Mark Hall Academy	204	(62)
Mildenhall College Academy	607	793
Norwich Road Academy	434	432
Ravens Academy	(40)	130
Star Academy	(47)	(32)
Sun Academy Bradwell	266	0
Sutton Community Academy	407	787
The Dukeries Academy	(597)	(65)
The Hathaway Academy	54	268
The Nicholas Hamond Academy	(637)	(267)
Westbourne Academy	421	415
	<hr/>	<hr/>
	3,665	5,112
Mark Hall Sports Services Limited	(7)	(102)
Total before fixed asset fund and pension reserve	<hr/>	<hr/>
	3,658	5,010
Restricted fixed asset fund	95,668	83,930
Pension reserve	(16,777)	(15,056)
Total	<hr/>	<hr/>
	82,549	73,884

The Trust has adopted a policy of fairly funding each academy within the group. Certain academies have entered the Trust with budgets that were in a deficit position, which as part of their transformation plan will be returned to a surplus. Although the position for each academy above shows a wide range of reserves, the Trust board ensures that each academy has sufficient resources to meet their agreed targets. The figures stated above do not therefore represent the bank reserves for each academy.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

23 Funds of the academy (continued)

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other Costs (excluding depreciation) £'000	Total 2015 £'000	Total 2014 £'000
Admirals Academy	801	124	15	316	1,256	1,187
Bristnall Hall Academy	4,780	813	250	1,200	7,043	6,702
Diamond Academy	654	79	32	199	964	843
Great Heath Academy	92	16	4	9	120	0
Head Office	0	1,415	2	927	2,344	1,856
Iceni Academy	2,702	587	73	743	4,104	4,095
Jubilee Academy Mossley	689	151	18	207	1,065	1,083
Kingsmoor Academy	684	153	29	247	1,113	1,090
Mark Hall Academy	2,329	845	189	879	4,242	4,499
Mildenhall College Academy	4,094	523	186	1,284	6,087	6,241
Norwich Road Academy	1,323	193	51	409	1,976	1,776
Ravens Academy	868	215	84	271	1,438	1,221
Star Academy	652	154	40	184	1,031	976
Sun Academy Bradwell	44	19	0	2	66	0
Sutton Community Academy	4,049	1,639	213	1,244	7,146	6,319
The Dukeries Academy	3,870	952	142	1,497	6,461	8,479
The Hathaway Academy	2,915	769	142	762	4,588	4,757
The Nicholas Hamond Academy	2,398	421	63	655	3,538	3,179
Westbourne Academy	3,611	809	101	1,090	5,611	5,781
	<u>36,556</u>	<u>9,876</u>	<u>1,635</u>	<u>12,126</u>	<u>60,193</u>	<u>60,084</u>
Mark Hall Sports Services Limited	0	144	0	167	311	331
	<u>36,556</u>	<u>10,020</u>	<u>1,635</u>	<u>12,293</u>	<u>60,504</u>	<u>60,415</u>

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

24 Analysis of net assets between funds

Fund balances at 31 August 2014 are represented by:

	Unrestricted general funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total 2015 £'000	Total 2014 £'000
Tangible fixed assets	0	0	91,163	91,163	83,930
Current assets	2,555	6,638	4,505	13,698	11,454
Current liabilities	0	(4,909)	0	(4,909)	(5,488)
Long term liabilities	0	(626)	0	(626)	(956)
Pension scheme liability	0	(16,777)	0	(16,777)	(15,056)
Total net assets	2,555	(15,674)	95,668	82,549	73,884

25 Capital commitments

	2015 £'000	2014 £'000
Contracted for, but not provided in the financial statements.	90	0

26 Financial commitments

Operating leases

At 31 August 2014 the Academy had annual commitments under non-cancellable operating leases as follows;

	2015 £'000	2014 £'000
<u>Land and buildings</u>		
Expiring within one year	0	0
Expiring within two and five years inclusive	131	91
Expiring in over five years	0	0
	<u>131</u>	<u>91</u>
<u>Other</u>		
Expiring within one year	110	69
Expiring within two and five years inclusive	176	330
Expiring in over five years	4	0
	<u>290</u>	<u>399</u>

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

	2015 £'000	2014 £'000	
27 Reconciliation of net income to net cash inflow from operating activities			
Net income / (expenditure)	8,732	9,285	
Transfer of fixed assets from Local Authority on conversion	(7,415)	(9,037)	
Transfer of budget surplus on funds from Local Authority on conversion	(628)	(113)	
Transfer of defined benefit pension scheme deficit from Local Authority on conversion	792	1,864	
Capital grants from DfE and other capital income	(5,725)	(2,904)	
Depreciation	1,935	1,597	
Interest receivable (note 6)	(77)	(56)	
FRS 17 pension cost less contributions payable (note 33)	519	249	
FRS 17 pension finance income (note 33)	343	450	
(Increase)/decrease in stocks	(23)	(19)	
(Increase)/decrease in debtors	(2,311)	627	
Increase/(decrease) in creditors: amounts falling due within one year	(579)	1,591	
Increase/(decrease) in creditors: amounts falling due after more than one year	(330)	812	
Net cash inflow from operating activities	(4,767)	4,346	
28 Cash transferred on conversion to an academy trust			
Inherited cash at bank and in hand	628	113	
Net cash inflow from cash transferred on conversion to an academy trust	628	113	
29 Returns on investments and servicing of finance			
Interest received	77	56	
Net cash inflow from returns on investment and servicing of finance	77	56	
30 Capital expenditure and financial investment			
Purchase of tangible fixed assets (note 17)	(1,753)	(4,254)	
Disposal of tangible fixed assets (note 17)	0	0	
Capital grants from DfE/EFA	5,725	2,904	
Net cash outflow from capital expenditure and financial investment	3,972	(1,350)	
31 Analysis of changes in net funds			
	At 1 September 2014 £'000	Cash flows £'000	At 31 August 2015 £'000
Cash at bank and in hand	8,635	(90)	8,545
Total cash and cash equivalents	8,635	(90)	8,545

32 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 debits and liabilities contracted before he/she ceases to be a member.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

33 Pension and Similar Obligations

The Academy's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff and the Local Government Pension Scheme (LGPS) for non-teaching staff. The LGPS is managed by the following Pension Funds on behalf of the following Academies;

1) Norfolk Pension Fund

Admirals Academy
Diamond Academy
Iceni Academy
Nicholas Hamond Academy
Norwich Road Academy

West Midlands Pension Fund

Bristnall Hall Academy
Jubilee Academy Mossley

Essex Pension Fund

Hathaway Academy
Kingsmoor Academy
Mark Hall Academy
Ravens Academy

Staffordshire Pension Fund

Star Academy
Sun Academy

Suffolk County Council Pension Fund

Great Heath Academy
Mildenhall College Academy
Westbourne Academy

Nottinghamshire County Council Pension Fund

Sutton Community Academy
The Dukeries Academy

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

Contributions amounting to £626,233 (2014: £190,640) were payable to the schemes at 31 August and are included within creditors.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

33 Pension and Similar Obligations (continued)

Teachers' Pension Scheme

Introduction

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. Membership is automatic for full-time teachers in academies and, from 1 January 2007, automatic for teachers in part-time employment following appointment or a change of contract, although they are able to opt out.

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

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- o employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%)
- o total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- o an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- o the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The pension costs paid to TPS in the period amounted to £2,983,663 (2014: £3,079,277)

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is multi-employer pension scheme. The trust 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.

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

33 Pension and Similar Obligations (continued)

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 year ended 31 August 2015 was £2,443,000, of which employer's contributions totalled £1,885,000 and employees' contributions totalled £558,000. The agreed contribution rates for the future years are 19.8 per cent for employers and 5.5 per cent - 12.5 per cent for employees, dependant on salary.

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

The four academies that form part of the Essex Pension Fund have to make additional monthly contributions in addition to normal funding levels in order to try and cover the deficit. This agreement states that the deficit recovery period is 30 years.

As described in the paragraph above, 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. The obligation in respect of employees who transferred on conversion represents their cumulative service at both predecessor school and the academy trust at the balance sheet date.

Principal Actuarial Assumptions

	Scheme 1	Scheme 2	Scheme 3	Scheme 4	Scheme 5	Scheme 6	Average
	%	%	%	%	%	%	%
2015							
Salary increase rate	3.6	4.2	4.4	4.6	4.6	4.5	4.3
Pension increase rate	2.7	2.4	2.6	2.7	2.7	2.7	2.6
Discount rate	3.8	4.0	4.0	3.8	3.8	4.0	3.9
CPI increase rate	3.8	2.4	2.6	3.8	3.8	2.7	3.2
2014							
Salary increase rate	3.5	3.9	4.4	4.5	4.5	4.5	4.2
Pension increase rate	2.7	2.2	2.6	2.7	2.7	2.7	2.6
Discount rate	3.7	4.0	3.9	3.7	3.7	3.9	3.8
CPI increase rate	0.0	2.2	2.6	0.0	0.0	2.7	2.5

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

33 Pension and Similar Obligations (continued)

Local Government Pension Scheme (continued)

Mortality assumptions

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 2015	At 31 August 2014
<i>Retiring today</i>		
Males	22.4 years	22.1 years
Females	24.8 years	24.3 years
<i>Retiring in 20 years</i>		
Males	24.7 years	24.5 years
Females	27.3 years	26.9 years

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £'000	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £'000
Equities	3.4	10,158	6.4	8,574
Bonds	3.4	2,613	3.5	1,853
Property	3.4	1,827	5.0	1,388
Cash	3.4	469	2.8	418
Other	3.4	1,042	2.2	724
Total market value of assets		<u>16,109</u>		<u>12,957</u>
Present value of scheme liabilities				
- Funded		(32,886)		(28,013)
Surplus / (deficit) in the scheme		<u>(16,777)</u>		<u>(15,056)</u>

Expected rate of returns

For accounting years beginning on or after 1 January 2015, the expected return and the interest cost will be replaced with a single net interest cost, which will effectively set the expected return equal to the discount rate.

Therefore pension funds are not required to disclose an expected return assumption for the year to 31 August 2016. For the year to 31 August 2015, the expected return - weighted average of all pension schemes - was 5.6% per annum, which has been used to determine the profit and loss charge for the year ended 31 August 2015.

The expected return has been calculated as a weighted average of all pension schemes included within the financial statements. The actual return on scheme assets was a loss of £317,000 (2014 gain: £1,483,000)

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

33 Pension and Similar Obligations (continued)

Local Government Pension Scheme (continued)

The Trust's staff are members of six defined benefit plans. A summary of the plans is as follows (see page 43 for the name of each scheme):

	Scheme 1	Scheme 2	Scheme 3	Scheme 4	Scheme 5	Scheme 6	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
2015							
Fair value of plan assets	3,677	1,627	1,984	504	2,988	5,329	16,109
Present value of funded defined benefit obligations	(5,643)	(3,779)	(6,999)	(1,201)	(4,740)	(10,524)	(32,886)
Deficits in pension schemes	(1,966)	(2,152)	(5,015)	(697)	(1,752)	(5,195)	(16,777)
2014							
Fair value of plan assets	3,127	1,299	1,359	196	2,170	4,806	12,957
Present value of funded defined benefit obligations	(4,956)	(3,167)	(6,209)	(446)	(3,523)	(9,712)	(28,013)
Deficits in pension schemes	(1,829)	(1,868)	(4,850)	(250)	(1,353)	(4,906)	(15,056)

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

33 Pension and Similar Obligations (continued)

Local Government Pension Scheme (continued)

Amounts recognised in the statement of financial activities

	2015 £'000	2014 £'000
Current service cost (net of employee contributions)	2,404	2,153
Past service cost	(1,885)	(1,904)
Total operating charge	519	249

Analysis of pension finance (income) / costs

Expected return on pension scheme assets	1,129	1,018
Interest on pension liabilities	(786)	(568)
Pension finance (income) / costs	343	450

The actual gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £3,757,000 loss (2014: £3,690,000 loss).

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

	2015 £'000	2014 £'000
At 1st September	28,013	18,422
Current service cost	2,404	2,153
Interest cost	1,129	1,018
Employee contributions	558	582
Actuarial (gain) / loss	(308)	3,861
Benefits paid	(337)	(323)
Past service cost	0	0
Curtailments and settlements	58	98
Liabilities assumed in a business combination	1,369	2,202
At 31st August	32,886	28,013

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

	2015 £'000	2014 £'000
At 1st September	12,957	8,405
Expected return on assets	786	568
Actuarial (gain) / loss	(317)	1,483
Employer contributions	1,885	1,904
Employee contributions	558	582
Benefits paid	(337)	(323)
Assets acquired in a business combination	577	338
At 31st August	16,109	12,957

The estimated value of employer contributions for the year ended 31st August 2016 will be approximately £1,880,000 (2015: £1,897,000).

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

33 Pension and Similar Obligations (continued)

Local Government Pension Scheme (continued)

The four year history of experience adjustments is as follows:

	2015 £'000	2014 £'000	2013 £'000	2012 £'000
Present value of defined benefit obligations	(32,886)	(28,013)	(18,422)	(495)
Fair value of share of scheme assets	16,109	12,957	8,405	85
Deficit in the scheme	<u>(16,777)</u>	<u>(15,056)</u>	<u>(10,017)</u>	<u>(410)</u>
	2015 £'000	2014 £'000	2013 £'000	2012 £'000
Experience adjustments on share of scheme assets:	(317)	1,483	329	1
Experience adjustments on scheme liabilities:	250	(3,959)	(1,528)	(16)
Actuarial gains / (losses) on defined benefit pension schemes	<u>(67)</u>	<u>(2,476)</u>	<u>(1,199)</u>	<u>(15)</u>

Notes to the Financial Statements for the year ended 31 August 2015 (continued)

34 Related Party Transactions

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

Gaia Technologies Plc. - a company in which Mr Anas Abdul Mawla (a member of the trust) has a majority interest:

- o the trust purchased IT managed services and IT hardware from Gaia Technologies Plc. totalling £695,324 (2014: £482,298) during the period. The balance due to Gaia Technologies Plc. at 31 August 2015 was £97,407 (2014: £204,285);
- o the trust made the purchase at arms' length following a competitive tendering exercise in accordance with its financial regulations, which Mr Anas Abdul Mawla neither participated in, nor influenced;
- o in entering into the transactions the trust has complied with the requirements of EFA's Academies Financial Handbook.

35 Conversion to an academy trust

During the year ending 31 August 2015 the following schools converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Academy transformation Trust from the relevant Local Authorities for £nil consideration:

Academy	Date of transfer	Predecessor School	Local Authority
Great Heath Academy	1 August 2015	Great Heath Primary School	Staffordshire County Council
Sun Academy Bradwell	1 August 2015	Bradwell Primary School	Suffolk County Council

The transfers have been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount as net incoming resources in the Statement of Financial Activities as voluntary income.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of Financial Activities:

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2015 £'000
Tangible fixed assets				
<i>Leasehold land and buildings</i>				
- Great Heath Academy	0	0	5,176	5,176
- Sun Academy Bradwell	0	0	2,239	2,239
Budget surplus / (deficit) on Local Authority funds				
- Great Heath Academy	365	0	0	365
- Sun Academy Bradwell	263	0	0	263
LGPS pension surplus / (deficit)				
- Great Heath Academy	0	(370)	0	(370)
- Sun Academy Bradwell	0	(422)	0	(422)
Net assets / (liabilities)	628	(792)	7,415	7,251



Notes to the Financial Statements for the year ended 31 August 2015 (continued)

36 Agency arrangements

The academy trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2015 the trust received £81,230 and disbursed £81,230 from the fund. Therefore there are no undistributed funds left that is repayable to EFA.

37 Investments / Principal Subsidiaries

Company name	Country	Percentage Shareholding
Mark Hall Sports Services Limited	England	100%, Academy Transformation Trust only member

The principal activities of Mark Hall Sports Services Limited is the provision of high quality sports facilities for the advancement of sport and leisure education and activities in the local community.