

BURY ST EDMUNDS ACADEMY TRUST

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

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BURY ST EDMUNDS ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS, TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members	M Culpin R Fletcher E White
Trustees	M Culpin, Vice Chair R Fletcher, Chair of Trustees E White (appointed 16 November 2015) J George (appointed 1 September 2015, resigned 4 March 2016) A Earl (resigned 6 October 2015) V Neale V Hughes (appointed 6 October 2015) T Johnson (resigned 6 October 2015) G Swane (resigned 6 October 2015) I Cox (appointed 20 September 2016) N Templeton (resigned 6 October 2015) C Pamplin S Curtis (resigned 6 October 2015) M Travell (resigned 16 November 2015) S Boor (appointed 20 September 2016)
Accounting Officer	V Neale
Company Registered Number	07697600
Company name	Bury St Edmunds Academy Trust
Registered and Principal Office	Beetons Way Bury St Edmunds IP32 6RF
Company Secretary	J Smith
Senior Leadership Team	Mrs V Neale, Headteacher (County Upper School) Nr N Templeton, Headteacher (Westley Middle School) Mrs T Johnson, Headteacher (Horringer Court Middle School) Mrs A Earl, Headteacher (Tollgate Primary School)
Independent Auditors	Price Bailey LLP Chartered Accountants Causeway House 1 Dane Street Bishop's Stortford Hertfordshire CM23 3BT
Bankers	Lloyds Bank Plc Bury St Edmunds Suffolk IP33 3AH
Solicitors	Stone King LLP 16 St John's Lane London EC1M 4BS

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees present their Annual Report together with the audited financial statements and Auditors' Report of Bury St Edmunds Academy Trust (the Charitable Company or the Trust) for the year ended 31 August 2016. The Annual Report serves the purposes of both a Trustees' Report and a Directors' Report under company law.

The Charitable Company operates Tollgate Primary School, Horringer Court Middle School, Westley Middle School and County Upper School Academies (the Academies or the School) in 2015-16; Barrow Primary School works within the Trust but is not an academy. The Trust made a successful application to open a STEM academy for 13-18 year olds in partnership with some twenty national companies. This Free School is in the pre-opening stage. County Upper School and Westley remain routinely oversubscribed and Horringer Court is almost full now after years of being undersubscribed prior to conversion.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are its primary governing documents. The Trustees of the Charitable Company are also the Directors for the purposes of company law. The terms Trustee and Director are interchangeable in this report and refer to a member of the Board of Trustees (MGB). The term Governor refers to a member of a local Governing Body (LGB)

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

Member's liability

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

Recruitment and appointment

Arrangements as set out in the articles/funding agreement. Recruitment to the MGB ensures due representation of parents, staff and community Trustees as well as representation from each phase (primary, middle and upper) and each Academy.

Parent Trustee vacancies are advertised on the Schools' websites and communicated via the weekly information sheet. Staff Trustee vacancies are advertised on the Staff noticeboards and communicated via staff briefings. Community Trustee vacancies are advertised on the Schools' websites. The management of the Trust is the responsibility of the Trustees who are appointed under the terms of the Articles of Association.

Trustees are appointed for a four year period, except that this time limit does not apply to the Headteacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

All new Trustees will be given a tour of the academies and the chance to meet with staff and students. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally very few new Trustees a year, induction tends to be done informally and is tailored specifically to the individual.

Policies and Procedures adopted for the induction and training of Trustees

During the year under review the MGB met termly. For 2016-17, the frequency of the meetings has been increased to one per half term. There were joint training sessions for Trustees across the Academies. The training and induction provided for new Trustees depended on their existing experience. "How do I get started?" sessions were provided for all new Trustees on education, legal and financial matters.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Organisational Structure

The governance of the Trust is defined in the Memorandum and Articles of Association together with the funding agreement with the Department of Education.

The MGB meets on at least 3 occasions per year, and is responsible for setting general policy, adopting an annual plan and budget, monitoring the Schools by the use of budgets and making major decisions about the direction of the Trust, capital expenditure and staff appointments. This MGB contains the Accounting Officer (currently headteacher of County Upper School).

The Senior Leadership Team (SLT) of each School report to the MGB and their LGB and are responsible at an executive level for implementing policies; responsible for the day to day operation of the Schools, in particular organising staff, resources and children. They are responsible for the authorisation of spending within agreed budgets and for the appointment of staff following vetting and safeguarding recruitment process.

The Accounting Officer of the Trust has overall responsibility for the day to day financial management of the Charitable Company and has delegated responsibility for low values of expenditure to specific budget holders who are each responsible for managing their own Schools and departments within the constraints of their allocated budgets. A system of financial controls is in place to manage this process.

Arrangements for setting pay and remuneration of key management personnel

Key management personnel include Trustees and those staff to whom the Trustees have delegated significant authority and responsibility in the day-to-day running of the Trust.

The Trust chooses to follow both the School Teacher's Pay and Conditions Document and the NJC Local Government arrangements for school based staff. In addition it operates a rigorous appraisal process for all staff which is based on current best practice to ensure that staff are both supported to do their jobs to the best of their ability, and also challenged when this is found not to be the case.

The MGB and LGB's review key benchmarks which relate to the performance and appraisal process and review criteria, such as the progress made by individual, small groups and cohorts of pupils among others. They also utilise the services of an external 'critical friend' to support both the annual in-depth performance management meeting and mid-year review of the Accounting Officer.

Connected Organisations and Related Parties

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

Trustees Indemnities

In accordance with normal commercial practice the Trust has purchased insurance to protect Directors, Governors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £2,000,000 on any one claim and details of the costs are disclosed in Note 12 to the accounts.

Risk Management

The Trustees have assessed the major risks to which the Trust is exposed, in particular those related to the operations and finances of the Trust, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and aim of the Charitable Company is the operation of Schools to provide free education and care for pupils of different abilities.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Strategies and Activities

During the year the individual Schools have worked towards achieving these aims by:

- ensuring that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- raising the standard of educational achievement of all pupils;
- improving the effectiveness of the School by keeping the curriculum and organisational structure under continual review;
- providing value for money for the funds expended;
- complying with all appropriate statutory and curriculum requirements; and
- conducting the Trust's business in accordance with the highest standards of integrity

The Trust aims to get the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. The Trust has developed all-through curriculum route plans from 4-16 which address both changes to the primary curriculum and GCSEs so as to prevent 'dips on transfer.' The Trust also has an all-through sports programme which is delivering primary sports, addressing fitness concerns and providing 'sporty Saturdays' and holiday activities

Public Benefit

The Trustees believe that by working towards the objects and aims of the Trust as detailed above, they have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission.

STRATEGIC REPORT

Review of Activities

Bury St Edmunds County Upper School marks the final school on the all-age continuum. It is an oversubscribed all-ability school taking students between the ages of thirteen and nineteen. There are some 1000 pupils on roll. The School is judged 'outstanding' by Ofsted and is renowned for both its extracurricular achievement and examination results. This summer the School had a 100% pass rate for A-levels. 88% were A* - C grades, being the highest maintained school in Suffolk. The GCSE results on the new measures were: Progress 8: 0.33; Percentage gaining A* - C in both English and Mathematics: 68%; EBacc: 38%. The latter was the highest in Suffolk and GCSE results were amongst the regions best.

Horringer Court Middle School is one of the two middle campuses of an all-through school covering ages 9-13. There are 419 pupils currently on roll with an ever increasing number from out of catchment. Attainment in English and Maths at KS2 has been consistently around the National Average for the last four years. Progress over the four years is good. Current predictions for KS2 and progress over four years show that a similar trend will prevail and this is sustainable. Horringer Court received a strong Good from Ofsted in June 2016.

Westley Middle School is an oversubscribed middle campus providing a broad and balanced curriculum for pupils aged 9-13. There are currently 487 pupils on roll. The School was judged as good with outstanding features in June 2013. The School provides an extensive extra curriculum covering art, music, sport, drama and much more. The SATs Results for 2016 were on the national average.

Tollgate Primary is a school which became an academy on 1 July 2014. Up to that point it was in Special Measures and is now making good progress with the support of the Trust. The KS1 data for 2015 is much closer to national averages. A recent practice inspection by the Head of Westley, who is a trained Ofsted Inspector, graded the school 'Good'. The School aims to get to Good by the time of the next Ofsted inspection which is now due.

In November 2016, following the annual meeting with the Regional Schools Commissioner, Dr Tim Coulson and five of his colleagues, to review the Trust's work, he wrote, " I concluded the meeting by saying that I wanted to emphasise the Trust's performance as an outstanding provider and note its encouraging 2016 results and self-assessment review as we move forward to consider future options."

Key Performance Indicators

The Trustees receive half termly information to enable them to monitor the performance of the constituent Schools compared to aims, strategies and financial budgets.

As funding is based on pupil numbers this is a key performance indicator. Pupil numbers for 2016 were 2,152.

Another key financial performance indicator is staffing costs as a percentage of total income, excluding income transferred on conversion. For 2015-16 this was 78%.

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TRUSTEES' REPORT (continued)
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The operating surplus is calculated as the difference between total revenue and total expenditure (including depreciation on assets). The level of working capital is an indicator of a school's ability to operate financially and meet debts in the short term. Working capital is normally measured as a ratio of current assets to current liabilities.

Going Concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies

FINANCIAL REVIEW

The principal source of funding for the Trust is the General Annual Grant (GAG) and other grants that it receives from the EFA. For the year ended 31 August 2016 the Trust received £11,618,460 of GAG and other funding. A high percentage of this income is spent on wages and salaries and support costs to deliver the Trusts primary objective of the provision of education. During the year the Trust spent all of its funds and had a budgetted in year deficit of £272,263. The overall fund surplus carried forward, including fixed asset funds, was £30,571,092.

Principal risk and uncertainties

The Trustees maintain a risk register identifying the major risks to which the Trust is exposed, and identifying actions and procedures to mitigate those risks. A formal review of the risk management process is undertaken on an annual basis and the internal control systems and the exposure to said risks are monitored on behalf of the Trustees at each Finance Committee meeting. The principal risks facing the Trust are outlined below; those facing the Academy Trust at an operational level are addressed by its systems and by internal financial and other controls.

The Trustees report that the Trust's financial and internal controls conform to guidelines issued by the EFA, and that improvements to the wider framework of systems dealing with business risk and risk management strategy continue to be made and formally documented.

It is recognised that systems can only provide reasonable but not absolute assurance that major risks have been adequately managed.

As an academy trust, the level of financial risk is low. Cash flows can be reliably forecast, monitored and reported. Staff costs make up the majority of expenditure and this is relatively stable with contingencies in place to cover such items as sickness and maternity.

Reserves policy

The Trustees are aware of the requirement to balance current and future needs. The Trustees always aim to set a balanced budget with annual income balancing annual expenditure

The Trust's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £550,223. This has been built up from a mixture of locally raised income and balances transferred from the predecessor Schools.

The cash balance of the Trust has been very healthy all year, ending the year with a balance of £1,750,884. The Trustees have determined that they should hold a cash contingency equivalent to two weeks' expenditure, approximately £228,700. The Trust also has some capital plans to make better use of its sites. School reorganisation in the rest of Bury St. Edmunds means there is considerable uncertainty about what additional places, resources and classrooms the Trust may need.

Due to the accounting rules for the Local Government Pension Scheme under FRS17, the Trust is recognising a significant pension fund deficit of £2,806,000. This does not mean that an immediate liability for this amount crystallises and that such a deficit generally results in a cash flow effect in the form of increased employer contributions over a number of years.

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TRUSTEES' REPORT (continued)
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Investment policy

Investment Plans were approved by the Trustees in November 2013.

The aim of the plan is to ensure funds that the Trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise the Trust's income but with minimal risk. The aim is to research where funds may be deposited applying prudence in ensuring there is minimum risk. The Trustees do not consider the investment of surplus funds as a primary activity, rather as a result of good stewardship and as and when circumstances allow.

Plans for future periods

The Trust's priorities are to continue to effect improvements at Tollgate Primary School; to continue to drive up standards at KS2 in the middle phase and to ensure that GCSE and 'A' level results in the upper phase remain at least as good as they are now when all the changes take effect. The Trust was successful in its application to open a STEM academy for 13-18 year olds alongside the existing upper phase provision. This is scheduled to open as a pilot as part of County Upper in September 2017. The Trust continues to explore ways in which it can expand its provision in the first and middle phases.

Provision of information to auditors

Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the Charitable Company's Auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the Charitable Company's Auditors are aware of that information.

This Report, incorporating the Strategic Report, was approved by the MGB, on 28th November 2016 and signed on its behalf by:

R Fletcher
Chair of Trustees

BURY ST EDMUNDS ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that the 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 Headteacher of County Upper School, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between the 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 8 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
R Fletcher, Chair of Trustees	8	8
M Culpin, Vice Chair	7	8
V Neale	8	8
E White (appointed 16/11/2015)	6	6
J George (appointed 1/9/2015, resigned 4/3/2016)	2	3
A Earl (resigned 6/10/2015)	1	1
V Hughes (appointed 6/10/2015)	7	7
T Johnson (resigned 5/10/2015)	0	1
G Swane (resigned 6/10/2015)	1	1
I Cox (appointed 20/6/2016)	1	1
N Templeton (resigned 6/10/2015)	1	1
C Pamplin	8	8
S Curtis (resigned 6/10/2015)	1	1
M Travell (resigned 16/11/2015)	1	2

The Audit Committee is a sub-committee of the Board of Trustees. Its purpose is to monitor the annual budget, review management accounts and their performance against financial resources. It also reviews the investment plans regularly of the Trust.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
R Fletcher, Chair of Trustees	8	8
M Culpin, Vice Chair	7	8
V Neale	8	8
J George (appointed 1/9/2015, resigned 4/3/2016)	2	3
A Earl (resigned 6/10/2015)	1	1
E White (appointed 16/11/2015)	6	6
V Hughes (appointed 6/10/2015)	7	7
T Johnson (resigned 5/10/2015)	0	1
G Swane (resigned 6/10/2015)	1	1
I Cox (appointed 20/6/2016)	1	1
N Templeton (resigned 6/10/2015)	1	1
C Pamplin	8	8
S Curtis (resigned 6/10/2015)	1	1
M Travell (resigned 16/11/2015)	1	2

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GOVERNANCE STATEMENT (continued)

REVIEW OF VALUE FOR MONEY

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

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

- Continuing to purchase goods and services on a Trust-wide basis wherever possible to secure efficiency savings. Examples include Insurance, Payroll, HR and some aspects of ICT procurement.
- Continuing to make best use of its teaching staff within and across phases with an increased number of staff spending time on more than one site.

In 2016-7, the Trust will continue to look at increasing the level of purchasing across the Trust to secure even greater savings.

In the new financial year, the Trust is further reconciling some financial systems to enable a better analysis of practice in its Academies which may highlight the potential for further savings within the Trust. This is also enabling Trustees to receive a Trust-wide budget monitoring report at each Board meeting.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of 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 the Trust for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the Annual Report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the Annual Report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

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GOVERNANCE STATEMENT (continued)

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Schools Choice, an external third party provider to undertake internal audit visits and report on their findings.

The Internal Auditor 's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. On a termly basis, the Internal Auditor report to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. In particular the checks carried out in the current financial period included testing of:

- Income control.
- Monitoring and review.
- Governance.
- Insurance.
- Tax.
- Inventory.
- Payroll.
- Purchasing.
- Petty cash.
- Data security.
- Planning Cycle & Budget.
- Day to day record keeping.
- Transactional testing.

The Internal Auditor has delivered their schedule of work as planned.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Headteacher of County Upper School 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 Internal Auditor;
- the work of the external Auditors;
- the financial management and governance self-assessment process; and
- the work of the executive managers within the 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 the Board of Trustees on 15 December 2016 and signed on their behalf, by:

R Fletcher
Chair of Trustees

V Neale
Accounting Officer

BURY ST EDMUNDS ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Bury St Edmunds Academy Trust I have considered my responsibility to notify the 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the 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 2015.

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

V Neale
Accounting Officer

Date: 15 December 2016

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STATEMENT OF TRUSTEES' RESPONSIBILITIES

The Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for preparing the Strategic Report, the Trustees' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Charitable Company and of its incoming resources and application of resources, including its income and expenditure, for that 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 of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

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

Approved by the Board of Trustees on 15 December 2016 and signed on its behalf by:

R Fletcher
Chair of Trustees

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BURY ST EDMUNDS ACADEMY TRUST

We have audited the financial statements of Bury St Edmunds Academy Trust for the year ended 31 August 2016 which comprise the Statement of Financial Activities Incorporating Income and Expenditure Account, the Balance Sheet, the Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This Report is made solely to the Academy'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 Academy's Members those matters we are required to state to them in an Auditors' 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 Academy and its Members for our audit work, for this Report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the Directors of the Charitable Company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's 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 Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' 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 FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF BURY ST EDMUNDS ACADEMY TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

Gary Miller (Senior Statutory Auditor)

for and on behalf of

Price Bailey LLP

Chartered Accountants
Statutory Auditors

Causeway House
1 Dane Street
Bishop's Stortford
Hertfordshire
CM23 3BT
19 December 2016

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO BURY ST EDMUNDS ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 1 July 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bury St Edmunds Academy Trust during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This Report is made solely to Bury St Edmunds Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Bury St Edmunds Academy Trust and the EFA those matters we are required to state in a Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Bury St Edmunds Academy Trust and the EFA, for our work, for this Report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF BURY ST EDMUNDS ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Bury St Edmunds Academy Trust's funding agreement with the Secretary of State for Education dated 29 July 2011, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Consideration and corroboration of the evidence supporting the Accounting Officers statement on regularity, propriety and compliance.
- Evaluation of the general control environment of the Academy Trust, extending the procedures required for financial statements to include regularity.
- Discussions with and representations from the Accounting Officer and other key management personnel.
- An extension of substantive testing from our audit of the financial statements to cover matters pertaining to regularity, propriety and compliance in particular checking that selected items were appropriately authorised, and appropriate.

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO BURY ST EDMUNDS ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)

CONCLUSION

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

Reporting Accountant

Price Bailey LLP

Chartered Accountants

19 December 2016

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	As restated Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	172,285	31,416	592,666	796,367	279,353
Charitable activities	3	282,186	10,036,980	-	10,319,166	10,056,672
Other trading activities	4	444,990	48,456	-	493,446	315,575
Investments	5	9,421	60	-	9,481	9,429
TOTAL INCOME		<u>908,882</u>	<u>10,116,912</u>	<u>592,666</u>	<u>11,618,460</u>	<u>10,661,029</u>
EXPENDITURE ON:						
Charitable activities		<u>1,027,851</u>	<u>10,155,860</u>	<u>707,012</u>	<u>11,890,723</u>	<u>11,254,124</u>
TOTAL EXPENDITURE	6	<u>1,027,851</u>	<u>10,155,860</u>	<u>707,012</u>	<u>11,890,723</u>	<u>11,254,124</u>
NET EXPENDITURE BEFORE TRANSFERS						
Transfers between funds	17	(118,969) (40,078)	(38,948) (72,912)	(114,346) 112,990	(272,263) -	(593,095) -
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		(159,047)	(111,860)	(1,356)	(272,263)	(593,095)
Actuarial losses on defined benefit pension schemes	22	-	(1,148,000)	-	(1,148,000)	(252,000)
NET MOVEMENT IN FUNDS		<u>(159,047)</u>	<u>(1,259,860)</u>	<u>(1,356)</u>	<u>(1,420,263)</u>	<u>(845,095)</u>
RECONCILIATION OF FUNDS:						
Total funds brought forward		<u>709,270</u>	<u>(1,209,164)</u>	<u>32,491,249</u>	<u>31,991,355</u>	<u>32,836,450</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>550,223</u></u>	<u><u>(2,469,024)</u></u>	<u><u>32,489,893</u></u>	<u><u>30,571,092</u></u>	<u><u>31,991,355</u></u>

BURY ST EDMUNDS ACADEMY TRUST

(A Company Limited by Guarantee)

REGISTERED NUMBER: 07697600

**BALANCE SHEET
AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	13		32,314,285		32,468,614
CURRENT ASSETS					
Debtors	14	283,887		196,301	
Cash at bank and in hand		1,750,884		1,508,590	
		<u>2,034,771</u>		<u>1,704,891</u>	
CREDITORS: amounts falling due within one year	15	(936,714)		(603,237)	
NET CURRENT ASSETS			<u>1,098,057</u>		<u>1,101,654</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>33,412,342</u>		<u>33,570,268</u>
CREDITORS: amounts falling due after more than one year	16		(35,250)		(14,913)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>33,377,092</u>		<u>33,555,355</u>
Defined benefit pension scheme liability	22	(2,806,000)		(1,564,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>30,571,092</u></u>		<u><u>31,991,355</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	336,976		354,836	
Restricted fixed asset funds	17	32,489,893		32,491,249	
		<u>32,826,869</u>		<u>32,846,085</u>	
Restricted income funds excluding pension liability					
Pension reserve		(2,806,000)		(1,564,000)	
		<u></u>		<u></u>	
Total restricted income funds			30,020,869		31,282,085
Unrestricted income funds	17		550,223		709,270
			<u>550,223</u>		<u>709,270</u>
TOTAL FUNDS			<u><u>30,571,092</u></u>		<u><u>31,991,355</u></u>

The financial statements were approved by the Board of Trustees, and authorised for issue, on 15 December 2016 and are signed on their behalf, by:

V Neale
Trustee

The notes on pages 19 to 36 form part of these financial statements.

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	19	726,642	682,386
		<hr/>	<hr/>
Cash flows from investing activities:			
Interest received		9,481	9,564
Purchase of tangible fixed assets		(493,829)	(345,798)
		<hr/>	<hr/>
Net cash used in investing activities		(484,348)	(336,234)
		<hr/>	<hr/>
Change in cash and cash equivalents in the year		242,294	346,152
Cash and cash equivalents brought forward		1,508,590	1,162,438
		<hr/>	<hr/>
Cash and cash equivalents carried forward		1,750,884	1,508,590
		<hr/> <hr/>	<hr/> <hr/>

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

Bury St Edmunds Academy Trust constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

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

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

Reconciliations to previous UK GAAP for the comparative figures are included in note 25.

1.2 Company status

The Trust is a company limited by guarantee. The Members of the Company are the Trustees named on page 1. In the event of the Company being wound up, the liability in respect of the guarantee is limited to £10 per Member of the Company .

1.3 Fund accounting

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

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

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.4 Income

All income is recognised once the Trust has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

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

General Annual Grant is recognised in full in the Statement of Financial Activities Incorporating Income and Expenditure Account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

1.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

1.6 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 Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.7 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the Government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities Incorporating Income and Expenditure Account and carried forward in the Balance Sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of Financial Activities Incorporating Income and Expenditure Account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold land	-	over the life of the lease (125 years)
Long term leasehold property	-	2% straight line
Plant and machinery	-	10% straight line
Motor vehicles	-	20% straight line
Fixtures and fittings	-	10% straight line
Office equipment	-	10% straight line
Computer equipment	-	33.33% straight line
Other fixed assets	-	2% straight line

1.8 Operating leases

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

1.9 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the bank.

1.10 Taxation

The 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 Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.11 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.12 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.13 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.14 Financial instruments

The Trust only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable.

1.15 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.16 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	172,285	31,416	-	203,701	81,364
Capital grants	-	-	592,666	592,666	197,989
	<u>172,285</u>	<u>31,416</u>	<u>592,666</u>	<u>796,367</u>	<u>279,353</u>
Total donations and capital grants	<u>172,285</u>	<u>31,416</u>	<u>592,666</u>	<u>796,367</u>	<u>279,353</u>

In 2015, of the total income from donations and capital grants, £48,478 was to unrestricted funds and £230,875 was to restricted funds

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant (GAG)	-	8,845,238	8,845,238	8,760,613
Other DfE / EFA grants	-	723,541	723,541	520,539
	-	9,568,779	9,568,779	9,281,152
Other government grants				
Local Authority grants	9,781	109,266	119,047	103,972
Other Government grants	-	30,254	30,254	53,151
	9,781	139,520	149,301	157,123
Other funding				
Catering income	251,634	-	251,634	228,129
Trip donations	-	316,974	316,974	353,581
Other income	20,771	11,707	32,478	36,687
	272,405	328,681	601,086	618,397
	282,186	10,036,980	10,319,166	10,056,672

In 2015, of the total income from charitable activities, £316,300 was to unrestricted funds and £9,740,372 was to restricted funds.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Hire of facilities	69,962	-	69,962	63,693
Other income	375,028	48,456	423,484	251,882
	444,990	48,456	493,446	315,575

In 2015, of the total income from other trading activities, £273,935 was to unrestricted funds and £41,640 was to restricted funds.

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Investment income	9,421	9,481	9,429

In 2015, of the total investment income, £9,429 was to unrestricted funds and £ NIL was to restricted funds.

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	As restated Total 2015 £
Provision of Education:					
Direct costs	7,501,189	-	1,126,228	8,627,417	8,181,991
Support costs	992,934	580,991	1,689,381	3,263,306	3,072,133
	<u>8,494,123</u>	<u>580,991</u>	<u>2,815,609</u>	<u>11,890,723</u>	<u>11,254,124</u>

In 2016, of the total expenditure, £1,027,851 (2015 - £337,290) was to unrestricted funds and £10,862,872 (2015 - £10,916,834) was to restricted funds.

7. CHARITABLE ACTIVITIES

	2016 £	As restated 2015 £
Direct costs	8,627,417	8,181,991
Support costs	3,263,306	3,072,133
	<u>11,890,723</u>	<u>11,254,124</u>
Total	<u>11,890,723</u>	<u>11,254,124</u>

	2016 £	2015 £
Analysis of support costs		
Support staff costs	1,052,934	1,002,588
Depreciation	648,159	688,173
Technology costs	58,248	62,349
Premises costs	580,991	523,855
Other support costs	892,452	765,770
Governance costs	30,522	29,398
	<u>3,263,306</u>	<u>3,072,133</u>
Total	<u>3,263,306</u>	<u>3,072,133</u>

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned or leased by the Trust	648,158	688,173
Auditors' remuneration - audit	11,750	6,750
Auditors' remuneration - other services	11,226	7,750
	<u>671,134</u>	<u>702,673</u>

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	6,784,828	6,567,471
Social security costs	531,638	457,633
Pension costs	1,177,657	1,047,392
	<u>8,494,123</u>	<u>8,072,496</u>

The average number of persons employed by the Trust during the year was as follows:

	2016 No.	2015 No.
Teachers	152	153
Administration and support	141	141
Management	13	14
	<u>306</u>	<u>308</u>

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

	2016 No.	2015 No.
In the band £ 60,001 - £ 70,000	2	3
In the band £ 70,001 - £ 80,000	2	2

Each of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2016 the Trust made contributions totalling £46,597 (2015 - £48,379) on their behalf.

The key management personnel of the Trust comprise the Trustees and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £258,896 (2015: £320,147).

BURY ST EDMUNDS ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

10. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Headteacher of County Upper School and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher of County Upper School and staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

N Templeton

Remuneration £70,000-£75,000 (2015: £70,000-£75,000)
Employer's Pension contribution paid £10,000-£15,000 (2015: £10,000-£15,000)

V Neale

Remuneration £75,000-£80,000 (2015: £75,000-£80,000)
Employer's Pension contribution paid £10,000-£15,000 (2015: £10,000-£15,000)

A Earl

Remuneration £20,000-£25,000 (2015: £60,000-£65,000)
Employer's Pension contribution paid £0-£5,000 (2015: £5,000-£10,000)

T Johnson

Remuneration £65,000-£70,000 (2015: £65,000-£70,000)
Employer's Pension contribution paid £10,000-£15,000 (2015: £5,000-£10,000)

During the period ended 31 August 2016, leaving gift expenses totalling £Nil were reimbursed or paid directly (2015: £36 to 2 trustees).

Also during the year, E White, a Trustee, received gross salary of £2,470 and employers pension contributions of £629 in relation to services provided to the Trust under a contract of employment.

Other related party transactions involving the Trustees are set out in note 24.

11. CENTRAL SERVICES

The Trust has provided the following central services to its Academies during the year:

- Insurance

The Trust charges for these services on the following basis:

Amount per pupil; 2016 - £30.49 (2015 - £32.16)

The actual amounts charged during the year were as follows:

	2016	2015
	£	£
County Upper	30,492	30,809
Westley Middle School	14,240	15,180
Horringer Court Middle School	11,038	10,806
Tollgate Primary School	7,410	-
	63,180	56,795
Total	63,180	56,795

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect Trustees and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2016 was included in the total insurance cost.

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13. TANGIBLE FIXED ASSETS

	Leasehold property £	Plant and machinery £	Motor vehicles £	Office equipment £	Computer equipment £	Assets under construction £
Cost						
At 1 September 2015	33,812,672	-	11,745	218,195	424,646	-
Additions	253,471	107,378	-	58,464	17,503	57,013
At 31 August 2016	<u>34,066,143</u>	<u>107,378</u>	<u>11,745</u>	<u>276,659</u>	<u>442,149</u>	<u>57,013</u>
Depreciation						
At 1 September 2015	1,548,332	-	10,079	135,381	304,852	-
Charge for the year	542,856	-	833	32,067	72,402	-
At 31 August 2016	<u>2,091,188</u>	<u>-</u>	<u>10,912</u>	<u>167,448</u>	<u>377,254</u>	<u>-</u>
Net book value						
At 31 August 2016	<u>31,974,955</u>	<u>107,378</u>	<u>833</u>	<u>109,211</u>	<u>64,895</u>	<u>57,013</u>
At 31 August 2015	<u>32,264,340</u>	<u>-</u>	<u>1,666</u>	<u>82,814</u>	<u>119,794</u>	<u>-</u>
						Total £
Cost						
At 1 September 2015						34,467,258
Additions						493,829
At 31 August 2016						<u>34,961,087</u>
Depreciation						
At 1 September 2015						1,998,644
Charge for the year						648,158
At 31 August 2016						<u>2,646,802</u>
Net book value						
At 31 August 2016						<u>32,314,285</u>
At 31 August 2015						<u>32,468,614</u>

14. DEBTORS

	2016 £	2015 £
Trade debtors	14,548	9,553
VAT	78,877	32,289
Other debtors	9,694	236
Prepayments and accrued income	180,768	154,223
	<u>283,887</u>	<u>196,301</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

15. CREDITORS:
Amounts falling due within one year

	2016	2015
	£	£
Other loans	10,070	10,459
Trade creditors	111,623	24,343
Other taxation and social security	158,969	133,901
Other creditors	154,026	129,185
Accruals and deferred income	502,026	305,349
	936,714	603,237
	936,714	603,237
	2016	2015
	£	£
Deferred income		
Deferred income at 1 September 2015	126,655	140,865
Resources deferred during the year	128,876	126,655
Amounts released from previous years	(126,655)	(140,865)
	128,876	126,655
	128,876	126,655

Deferred income relates to school trip income and Universal Free School Meals (UFSM).

16. CREDITORS:
Amounts falling due after more than one year

	2016	2015
	£	£
Other loans	35,250	14,913
	35,250	14,913

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

17. STATEMENT OF FUNDS

	Brought forward £	Income £	Resources expended £	Transfers in/out £	Gains/ (losses) £	Carried forward £
Unrestricted funds						
General funds - all funds	709,270	908,882	(1,027,851)	(40,078)	-	550,223
Restricted funds						
General Annual Grant (GAG)	245,036	8,845,238	(8,941,759)	(72,912)	-	75,603
Other DfE/EFA revenue grants	107,468	723,541	(619,784)	-	-	211,225
Other government grants	2,332	139,520	(98,049)	-	-	43,803
Other restricted funds	-	408,613	(402,268)	-	-	6,345
Pension reserve	(1,564,000)	-	(94,000)	-	(1,148,000)	(2,806,000)
	(1,209,164)	10,116,912	(10,155,860)	(72,912)	(1,148,000)	(2,469,024)
Restricted fixed asset funds						
Fixed assets	32,468,614	-	(648,158)	493,829	-	32,314,285
DfE/EFA capital grants	22,635	592,666	(58,854)	(380,839)	-	175,608
	32,491,249	592,666	(707,012)	112,990	-	32,489,893
Total restricted funds	31,282,085	10,709,578	(10,862,872)	40,078	(1,148,000)	30,020,869
Total of funds	31,991,355	11,618,460	(11,890,723)	-	(1,148,000)	30,571,092

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

General Annual Grant (GAG)

This represents funding from the EFA to cover the costs of recurrent expenditure.

There is a transfer from GAG relating to the contribution from GAG funding towards the maintenance of capital assets during the year and a transfer to GAG for restricted funds not separately identified.

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

Other DfE/EFA grants

This funding is to be used to raise achievement and improve outcomes for pupils from low-income families who are eligible for free school meals, looked after children and those from families with parents in the Armed Forces. It also includes UTC funding for the new technology college.

Other government grants

This represents other funding from the Government towards the provision of education.

Other Restricted Funds

This represents funding received towards specific purposes, including contributions towards school trips.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

17. STATEMENT OF FUNDS (continued)

Other Government Grants

This represents funding received from the Local Authority and others towards specific purposes.

Pension reserve

This fund represents the Trusts share of the deficit on the Local Government Pension Scheme (LGPS) transferred to the Trust on conversion from state controlled schools.

Restricted fixed asset fund

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the DfE where the asset acquired or created is held for a purpose. Additions purchased during the year have been transferred to this fund.

DfE/EFA capital grants

This fund represents the Trust's Devolved Formula Capital Funding and the Academy's Capital Maintenance Funding towards improvements and capital expenditure.

There is a transfer from this fund for the maintenance and purchase of capital assets during the year.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2016 were allocated as follows:

	Total 2016 £	Total 2015 £
County Upper School	379,910	617,650
Westley Middle School	167,814	227,969
Horringer Court Middle School	203,310	112,650
Tollgate Primary School	136,165	105,837
	<hr/>	<hr/>
Total before fixed asset fund and pension reserve	887,199	1,064,106
Restricted fixed asset fund	32,489,893	32,491,249
Pension reserve	(2,806,000)	(1,564,000)
	<hr/>	<hr/>
Total	<u>30,571,092</u>	<u>31,991,355</u>

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2016 £	Total 2015 £
County Upper School	4,000,397	510,369	26,618	1,506,761	6,044,145	5,619,208
Westley Middle School	1,599,788	173,171	60,694	413,211	2,246,864	2,155,170
Horringer Court Middle School	1,158,232	143,323	10,651	264,988	1,577,194	1,556,178
Tollgate Primary School	881,296	132,071	10,487	255,920	1,279,774	1,129,467
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>7,639,713</u>	<u>958,934</u>	<u>108,450</u>	<u>2,440,880</u>	<u>11,147,977</u>	<u>10,460,023</u>

BURY ST EDMUNDS ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
	-	-	-	-	32,468,614
	-	-	32,314,285	32,314,285	-
Current assets	550,223	1,308,940	175,608	2,034,771	1,704,891
Creditors due within one year	-	(936,714)	-	(936,714)	(603,237)
Creditors due in more than one year	-	(35,250)	-	(35,250)	(14,913)
Provisions for liabilities and charges	-	(2,806,000)	-	(2,806,000)	(1,564,000)
	<u>550,223</u>	<u>(2,469,024)</u>	<u>32,489,893</u>	<u>30,571,092</u>	<u>31,991,355</u>

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2016 £	2015 £
Net expenditure for the year (as per Statement of Financial Activities)	(272,263)	(593,095)
Adjustment for:		
Depreciation charges	648,158	683,072
Interest received	(9,481)	(9,564)
(Increase)/decrease in debtors	(87,586)	191,333
Increase in creditors	353,814	308,640
Pension adjustment	94,000	102,000
Net cash provided by operating activities	<u>726,642</u>	<u>682,386</u>

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	1,750,884	1,508,590
Total	<u>1,750,884</u>	<u>1,508,590</u>

21. MEMBERS LIABILITY

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

22. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £140,867 were payable to the schemes at 31 August 2016 (2015 - £129,185) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £450,144 (2015 - £382,646).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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

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NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £376,000 (2015 - £380,000), of which employer's contributions totalled £306,000 (2015 - £304,000) and employees' contributions totalled £70,000 (2015 - £76,000). The agreed contribution rates for future years are 16.8% for employers and 5.5%-12.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.10 %	3.80 %
Rate of increase in salaries	4.10 %	4.60 %
Rate of increase for pensions in payment / inflation	2.10 %	2.70 %

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

	2016	2015
Retiring today		
Males	22.4	22.4
Females	24.4	24.4
Retiring in 20 years		
Males	24.3	24.3
Females	26.9	26.9

The Trust's share of the assets in the scheme was:

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	2,447,000	1,815,000
Debt instruments	709,000	569,000
Property	355,000	298,000
Cash	35,000	27,000
Total market value of assets	3,546,000	2,709,000

The actual return on scheme assets was £503,000 (2015 - £105,000).

The amounts recognised in the Statement of Financial Activities Incorporating Income and Expenditure Account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(340,000)	(346,000)
Net interest cost	(60,000)	(60,000)
Total	(400,000)	(406,000)
Actual return on scheme assets	503,000	105,000

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22. PENSION COMMITMENTS (continued)

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

	2016 £	2015 £
Opening defined benefit obligation	4,273,000	3,199,000
Current service cost	340,000	346,000
Interest cost	169,000	151,000
Contributions by employees	70,000	76,000
Actuarial losses	1,542,000	519,000
Benefit paid	(42,000)	(18,000)
	<u>6,352,000</u>	<u>4,273,000</u>
Closing defined benefit obligation	<u>6,352,000</u>	<u>4,273,000</u>

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

	2016 £	2015 £
Opening fair value of scheme assets	2,709,000	1,989,000
Interest income	109,000	91,000
Actuarial gains and (losses)	394,000	267,000
Contributions by employer	306,000	304,000
Contributions by employees	70,000	76,000
Benefits paid	(42,000)	(18,000)
	<u>3,546,000</u>	<u>2,709,000</u>
Closing fair value of scheme assets	<u>3,546,000</u>	<u>2,709,000</u>

23. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	6,422	18,353
Between 1 and 5 years	3,843	10,508
	<u>10,265</u>	<u>28,861</u>
Total	<u>10,265</u>	<u>28,861</u>

24. RELATED PARTY TRANSACTIONS

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

There were no related party transactions during the year other than certain Trustee's remuneration and expenses disclosed in note 10.

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NOTES TO THE FINANCIAL STATEMENTS
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25. FIRST TIME ADOPTION OF FRS 102

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

The policies applied under the Trust's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.