

REGISTERED COMPANY NUMBER: 07965316 (England and Wales)

REPORT OF THE TRUSTEES AND  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015  
FOR

THE GREENACRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)

McCabe Ford Williams  
Statutory Auditors and Chartered Accountants  
Bank Chambers  
1 Central Avenue  
Sittingbourne  
Kent  
ME10 4AE

**THE GREENACRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

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FOR THE YEAR ENDED 31 AUGUST 2015**

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**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**MEMBERS**

Ms C Hennigan  
Mrs S Butler  
Mrs C A Bergess

**TRUSTEES**

Mrs C A Bergess (Bursar) \*  
Mrs S Butler (Trustee)\*  
Mr A Reese (Headteacher) •  
Ms N King (OBE) (Chair of Trustees) •  
Mr D J Winter (Engineering Leader)  
Mrs KEdge  
Mr V O'Mara (resigned 1.12.14)  
Mrs M Nadesan (appointed 1.9.14)  
Mrs S Miles (Service Director) (appointed 29.1.15)  
Mrs S Williams (appointed 1.9.14)

- members of the finance and premises committee

**Greenacre Academy Senior Managers**

Head of School	Mrs KEdge
Deputy Head	Ms S Bridger
Assistant Head teacher	Mrs P Mayo, Vulnerable students
Acting Deputy Head	Mrs L Ward, English and Safeguarding
Acting Deputy Head	Mr D Wise, Staff Development
Assistant Head teacher	Mrs E Eddy, Mathematics and Assessment
Acting Deputy Head	Mrs L Holden
Assistant Head teacher	Mr M Dallas

**Warren Wood Primary Academy Senior Managers**

Head of School	Mrs M Nadesan
Deputy Head	Mr J Murray (resigned 31.12.14)
Deputy Head	Mrs K Duncan (appointed 1.1.15)
Assistant Head teacher	Mr B Hulme
Assistant Head teacher	Mrs A Howe (appointed 1.1.15)

**COMPANY SECRETARY**

Prima Secretary Limited

**REGISTERED OFFICE**

157 Walderslade Road  
Walderslade  
CHATHAM  
Kent  
ME5 OLP

**REGISTERED COMPANY NUMBER**

07965316 (England and Wales)

**THE GREENACRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**AUDITORS**

McCabe Ford Williams  
Statutory Auditors and Chartered Accountants  
Bank Chambers  
1 Central Avenue  
Sittingbourne  
Kent  
ME10 4AE

**SOLICITORS**

Bond Dickinson LLP  
StAnn's Wharf  
112 Quayside  
Newcastle Upon Tyne  
NE13DX

**BANKERS**

HSBC Bank pic  
1-5 Week St  
Maidstone  
Kent  
ME141QW

**Member Schools**

Greenacre Academy  
Warren Wood Primary Academy

**Other Addresses**

Greenacre Academy  
157 Walderslade Road  
Walderslade  
Chatham . Kent  
ME90LP

Warren Wood Primary Academy  
Arethusa Road  
Rochester. Kent  
ME1 2UR

**Websites**

[www.greenacre.medway.sch.uk](http://www.greenacre.medway.sch.uk)  
[www.warrenwood.medway.sch.uk](http://www.warrenwood.medway.sch.uk)

**THE GREENACRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency.

The Academy Trust operates one Primary and one Secondary Academy in Rochester and Walderslade respectively. Its academies had a combined roll of 1,213 pupils in the school census of October 2015.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Greenacre Academy Trust was incorporated on 27 February 2012, as a company limited by guarantee. The Trust's memorandum and articles of association are the primary governing documents of the Trust. The Trust was re-constituted on 30 June 2014 as a multi academy trust. There are now two schools with the Trust. The conversion of Greenacre Boys Secondary school to Greenacre Academy was the basis of the formation of the original Trust. On the 1st July 2014, Warren Wood Community Primary School, upon conversion to a sponsored academy, joined the Trust under the name of Warren Wood Primary Academy.

Conversion to academy status are as below:-

- Greenacre Boys Secondary School - 1st April 2012
- Warren Wood Community Primary School-1st July 2014

**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.

**Trustees' Indemnities**

Subject to the provision of the Companies Act 2006, the Trust intends to maintain trustees' and officers' liability insurance which gives appropriate cover for any liability incurred or legal action brought against them in connection with their acting in their capacity as directors of the Trust.

**THE GREENACRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Method of recruitment and appointment or election of new trustees**

The Trust's articles of association require that the members appoint at least three trustees (unless otherwise determined by ordinary resolution) but shall not be subject to any maximum.

The original members appointed three trustees and further trustees can be appointed as follows:-

- The Trustees may appoint new trustees
- A minimum of one Principal ( who may or may not also be the Chief Executive Officer)
- A minimum of two Academy Trustees ( only the chairman of the Local Governing Body is eligible to be an Academy Trustee)
- A minimum of two Parent Trustees, who are appointed by the parent members of the Local Governing Bodies
- The Chief Executive Officer for as long as he / she remains in office
- The Trustees may appoint co-opted trustees

A Trustee's term of office is four years, but the trustee is eligible for re-election at the meeting at which they retire.

Under the articles of association, the Trustees are responsible for the appointment of the Local Governing Bodies for each Academy within the Trust. A scheme of delegation for each Local Governing Body is in place and this is regularly reviewed and the Trustees may alter or revoke this. Governors of the Local Governing Bodies do not have to be Trustees of the Trust.

All Trustees and Governors are encouraged to attend appropriate training in order for them to carry out their duties effectively.

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

This is the first year for the reconstituted Trust. The Trustees held 2 full board meetings,

Local Governing Bodies (LGBs) will set their own schedule of committee meetings.

The training and induction provided for new Governors will depend on their existing experience. All new Governors will be given a tour of the Academy and the chance to meet with staff and students. All relevant Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only two or three new Governors per period, induction tends to be done informally and is tailored specifically to the individual.

**THE GREENACRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Organisational structure**

As a multi-academy Trust, the Trustees are at the head of the organisational structure. They are responsible for making major decisions about the direction of the Academy Trust. They are responsible for the appointment of a Local Governing Body for each Academy.

The Governors of each Local Governing Body are delegated the responsibility for:

- Setting general policy
- Adopting an annual school improvement plan (SIP) and budget
- Monitoring revenue and capital expenditure (within certain limits)
- Monitoring progress against the SIP
- Staff appointments up to and including Deputy Head, or equivalent.

The Executive Principal is the Accounting Officer for the Trust.

Within each Academy there is a Senior Leadership Team. Each Senior Leadership Team (SLT) will include the Executive Principal, The Headteacher (or Head of School as appropriate), Assistant and / or Deputy Headteacher and senior teachers. The SLT (LG) control the Academy at an executive level implementing the policies laid down by the Trustees and Governors and reporting back to them. As a group each SLT are responsible for the authorisation within agreed budgets and the appointment of staff, though appointment boards for posts in the SLT always contain a Governor.

**Connected Organisations, including Related Party Relationships**

Greenacre is the lead academy in a Multi Academy Trust which also includes Warren Wood Primary Academy.

Greenacre has a collaborative partnership with Walderslade Girls' School regarding the joint 6th form

**OBJECTIVES AND ACTIVITIES**

**Objectives and aims**

Greenacre Academy is an 11-18 Academy in a selective area and has a collaborative sixth form partnership with Walderslade Girls' School. On 31 August 2015 the school had 898 pupils (including 6th form) (2014: 901) on its roll.

Warren Wood Primary is a 3-10 Academy and had 315 pupils on its roll, ( 2014: 274)

The main aim of the Academy is specifically restricted to the following: to advance 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 a school offering a broad and balanced curriculum. The School offers a fully inclusive, wide ranging and holistic education for all students.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2015**

**OBJECTIVES AND ACTIVITIES**

**Objectives, Strategies and Activities**

The main objectives of the Academy Trust during the period ended 31 August 2015 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils; to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review;
- to provide value for money for the funds expended;
- to comply with all appropriate statutory and curriculum requirements;
- to maintain close links with industry and commerce; and
- to conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.

The Trust's main strategy is to raise standards of achievement and progress through continuous improvement and engagement in all aspects of the organisation. The core purpose is teaching and learning. Performance is measured against the overall quality of teaching and learning and how these are translated into students' achievement and progress.

The key activities that support this strategy are:

- A solid organisational structure that supports both students and staff and also informs all stakeholders of clear lines of accountability and responsibility.
- The overriding mission is '**Skills for Life**'. We are seeking to enable all pupils to achieve their full potential academically, creatively, through sports and the development of personal and business skills that will fully equip them for the world of work.
- A robust performance management system coupled with CPO and training opportunities for staff and Governors.
- Use of data and tracking procedures to measure progress and inform actions and interventions.
- Robust quality assurance processing including financial controls, which are transparent, that supports the key strategies.

The Trust's mission is encapsulated in its vision statement . " Skills for Life"

The Trust seeks to promote outstanding educational experiences that will inspire and challenge all learners to achieve the best of their abilities and prepare them to live and work as active and participating citizens.

In achieving this, the Trust is committed to the creation of vibrant, diverse and innovative learning communities in which every person matters, and which:

- The highest standards of achievement
- Courtesy, respect and self-discipline
- Leading edge practises in curriculum, teaching and learning
- A challenging, enjoyable and tailored learning journey for all
- Outstanding provision and outcomes in all the areas of extra-curricular activities
- An emphasis on participation, inclusion, enterprise, personal development, spirituality and well-being
- Partnership with parents and the wider community



**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2015**

**OBJECTIVES AND ACTIVITIES**

**Objectives, Strategies and Activities**

The Priorities for the Trust are:

- Standards and Achievements; standards to continue to rise with a particular focus on the proportion of students achieving the highest grades
- Teaching and Learning: assessment for learning will be embedded in all classrooms across the schools with a particular focus on challenging the most able. To continue to learn from each other and from the best practice locally, nationally and internationally.
- Curriculum and Assessment: to promote an exciting, challenging and varied curriculum. To continue to celebrate extra-curricular / enrichment curriculum by focusing on learning beyond the class room.
- Well-being: to provide a learning environment that is safe, that promotes respect, tolerance and responsibility and that prepares students (pupils) for the world of further study and work.
- Recruitment and Retention : to be committed to building an effective, highly skilled and well supported workforce by recruiting the best staff we possibly can, growing capacity from within and sharing best practice within and between partner schools.
- Partnerships: through working in partnership to both respond to and anticipate community needs
- Leadership and Governance: through the further development of "distributed" leadership, supported by flexible and rigorous monitoring and evaluation to:-
  - Continue to improve standards in partner school
  - Ensure that Leadership at all levels is focussed on further raising of standards
  - Ensure sound financial management in a climate of falling school budgets
  - Ensure accommodation is fit for 21st Century teaching and learning
  - Use infinite resource responsibly and "recycle, re-use and reduce" wherever we can

**Public benefit**

The Trust confirm that it has referred to the guidance contained in the Charity Commission's general guidance on Public Benefit when reviewing the charity's aim and objectives and in planning future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

**Equal Opportunities**

The Trustees recognise that equal opportunities are integral part of good practice within the workplace. The Trust aims to establish equality of opportunity in all areas of its activities including the creation of a working environment in which the contribution and needs of all people are fully valued.

**Disabled Persons**

Ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all ground floor areas to the Trust buildings. Where appropriate, lifts have been installed to facilitate wheelchair and disabled access to the upper levels ( or lower) of the buildings. The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust does this by adapting the physical environment by making support resources available and through training and career development.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRATEGIC REPORT**

**Achievement and performance**

Greenacre Academy

Overall 56% of students achieved five or more GCSEs at A\* C grade including English and mathematics.

Our performance in terms of the percentage of pupils making expected progress between KS2 and KS4 was also much improved. In English it was 89.4% against the national average of 69%. In mathematics it was 57.2%, compared to the national average of 66%.

All of these results should be seen in the context of our school as a non selective school in a selective Local Authority

Performance of the boys in our joint sixth form continued to improve. Attainment in the year 2014-15 improved in academic subjects, with a 93% pass rate for A2 at the end of year 13.

Warren Wood Primary Academy recorded slight improvements under all headings at the end of KS2. Expected progress was higher than the national average in both reading and writing.

Warren Wood Primary Academy

This is the Academy's first set of results:

*KS2*

In writing, 89% of children attained at least Level 4 whilst it was 75% in maths and 69% in reading. Only 44% of the cohort achieved at least Level 4 in EGP&S but this curriculum area is not included in the combined measure. Combined for Reading, Writing and Mathematics was 61%. Without the Language Unit, combined was 65%

Progress in Reading was 84%, Writing 100% and Mathematics 84%.

The school's best value added (VA) indices, with the exception of reading and, to a much lesser degree, writing, were at the end of the 2015 school year. At the end of the 2015 school year overall VA rose to 99.5 to be much closer to the national index of 100.0. This year has seen a marked rise to 99.8 (from 98.3) in mathematics. The most recent set of VA indices show a very marginal rise from 98.2 to 98.3 in reading and a rise from 99.5 to 100.4 in writing. The overall trend is upwards.

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2015**

STRATEGIC REPORT - continued

	School2014	School2015	National2015
% of children achieving Level 4 in Reading	66%	69%	89%
% of children achieving Level 5 in Reading	10%	19%	48%
% of children achieving Level 4 in Writing	66%	89%	87%
% of children achieving Level 5 in Writing	3%	19%	36%
% of children achieving Level 4 in Maths	59%	75%	87%
% of children achieving Level 5 in Maths	14%	31%	41%
% of children achieving Level 5 in Maths	0%	11%	9%
% of children achieving Level 4 in both Reading, Writing and Maths	45%	61%	80%
% of children making 2 Levels progress from Key Stage 1- 2 in Reading	89%	84%	91%
% of children making 2 Levels progress from Key Stage 1-2 in Writing	96%	100%	94%
% of children making 2 Levels progress from Key Stage 1- 2 in Maths	75%	84%	90%

*KS1*

Year 2 pupils are expected to reach National Curriculum Level 2 by the end of the year.

	School2014	School2015	National2015
% of children achieving Level 2 in Reading	62%	83%	90%
% of children achieving Level 3 in Reading	3%	13%	32%
% of children achieving Level 2 in Writing	60%	75%	88%
% of children achieving Level 3 in Writing	5%	8%	18%
% of children achieving Level 2 in Maths	62%	85%	93%
% of children achieving Level 3 in Maths	8%	8%	26%

REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2015

STRATEGIC REPORT continued

Phonic Results

Phonics	School2014	School2015	National2015
% of children who achieved the phonics check threshold in Year One	57%	81%	77%
% of children who achieved the phonics recheck threshold in Year Two	48%	59%	64%

FS 2 Results

Children are expected to achieve at least a Good Level of Development by the end of FS2.

	School2014	School2015	National2015
% of children achieving a Good Level of Development (GLD) overall	42%	65%	66.3%

*Going concern*

After making appropriate enquiries, the governing body has a reasonable expectation that the Academy 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:

*Key financial performance indicators*

The Trustees are of the opinion that given the nature of the financial management of the business there are only a few key performance indicators which require specific monitoring. The significant indicators are:

- Student numbers- which provides the basis for funding from the EFA
- Spend on staff costs (excluding the HUB) as a percentage of funding from the EFA was 89% (2014: 88%)
- > Adequate financial provision to meet known expenditure increase in forthcoming years

The Local Governing Bodies approve the annual budget for each Academy and the aim is that total expenditure is to closely match income plus any brought forward surplus. This is monitored regularly for actual expenditure against budget.

**Financial review**

*Reserves policy*

The Trustees review the reserve levels of 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 Trust have determined that the appropriate level of free reserves for each academy should be at least £30,000, unless a specific project is to be expensed.

The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

**REPORT OF THE TRUSTEES**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**STRATEGIC REPORT - continued**

**Financial review**

*Principal funding sources*

The majority of the Trust's income arises in the form of recurrent grants from the EFA, to each of the Academies within the Trust. The use of this income is restricted to the particular purpose of the grant. The grant received from the EFA in the year to 31st August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

Fixed assets are included in the Restricted Fixed Asset Fund. All other assets and liabilities, excluding the opening Local Government Pension Scheme (LGPS) liability is shown at the foot of the statement of financial activities within recognised gains and losses.

During the year to 31st August 2015 total income, including capital income, was £7,329,617 (2014: £10,530,264) of which £326,560 (2014: £588,176) was unrestricted income.

- )> Total expenditure for the year to 31st August 2015 was £8,176,926 (2014: £7,589,725) of which:
- )> Employee costs of £5,785,869 (2014: £4,571,553) represented 71% (2014: 60%) of total expenditure
- )> Premises related costs of £1,138,488 (2014: £1,600,322), represented 14% (2014: 21%) of total expenditure. (Included in the figures reported are the funds received for the CIF fund by The Greenacre Academy.
- )> The depreciation which was £564,290 (2014: £459,802), has not been included.

*Investment policy*

The Trustees investment powers are governed by the memorandum and articles of association, which permit the Trusts funds, not immediately required for the furtherance of its objects, to be invested in or upon such investments, securities or property, as may be thought fit, subject to such conditions and consents as may for the time being be imposed or required by law. The Trust nor the Academies within the Trust, have not engaged in any investment of surplus funds during the year under review.

**Principal risks and uncertainties**

The Trustees consider that in the present economic climate the principal risks facing the Trust would have financial implications. These are:

- )> Funding for education is under pressure, especially for 6th form provision. A risk is an Academy within the Trust incurring a deficit against its budget from unforeseen circumstances
- )> With an Academies income largely based on student numbers, a fall in the role would have significant financial implications
- )> The adequate provision for the increase in Employer's National Insurance cost due in the year 2016/17
- )> Any sudden changes to the liability with regard to the LGPS

Other risks and uncertainties which could face the Trust are in relation to the reputation of the trust or an Academy within the Trust. This could arise from an Ofsted or other governmental report, or an event outside of the control of the Trustees.

The Trustees have considered the principal risks and uncertainties facing the Trust and have as far as appropriate taken steps to minimise these risks

**REPORT OF THE TRUSTEES  
FOR THE YEAR ENDED 31 AUGUST 2015**

**STRATEGIC REPORT**

**Financial and risk management objectives and policies**

**Risk management**

The trustees have assessed the major risks to which the academy trust is exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy Trust, and its finances. The Trustees have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. The Trustees are introducing systems, 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 Academy Trust has an effective system of internal financial controls and this is explained in more detail in the Statement of Internal Control.

The Academy Trust holds an up to date Business Continuity Plan. The Academy holds a detailed Risk Register which is reviewed regularly.

The Trustees monitor the financial position of each Academy individually in terms of its ongoing surplus and future expected income and expenditure, taking into account that educational funding is likely to reduce. The Trustees will review the position constantly to ensure that each individual Academy within the Trust has sufficient income to operate on an efficient basis without affecting the quality of teaching and learning.

The main financial instrument used by the trust, within each Academy school, is the extended trial balance, monitored monthly along with trend analysis. The cash held within bank accounts, generally current and short term cash deposit accounts. The objective is that each Academy manages its cash resources so that its operating requirements are met without the need for short term borrowing.

**Future developments**

As previously set out, the Trustees will continue to monitor and revise the Trust Plan to strengthen the Greenacre Academy Trust.

The Trustees will continue, in accordance with the Trusts vision statements "Skills for Life" to seek improvement in the levels of performance of its students to allow them to perform to the best of their abilities and to prepare them to live and work as active citizens.

The Trustees will continue to look to develop the Trust by considering schools that wish to join the Greenacre Academy Trust or by offering assistance in other ways, if appropriate.

**FUNDS HELD AS CUSTODIAN FOR OTHERS**

The Academy holds no funds as custodian trustee on behalf of others.

**AUDITORS**

In so far as the trustees are aware:

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

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on 9 December 2015 and signed on the board's behalf by:

.....*n*  
Ms N Kingfiff - Chair of Trustees

GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that The Greenacre Academy Trust (A Company Limited by Guarantee) 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 of loss.

The board of the trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Greenacre Academy Trust (A Company Limited by Guarantee) 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 Greenacre Academy Trust has a Board of Trustees which is responsible for the strategic direction of the Trust. Each academy has its own Local Governing Body (LGB) which reports to the Board.

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:

Greenacre

Trustee	Meetings attended	Out of a possible
Ms N King (OBE)	8	8
Mr A Reese	8	8
Mrs C Bergess	8	8
Mrs S Butler	8	8
Mrs KEdge	7	8
Mr O Winter	7	8
Mrs SMiles	4	5
Mrs M Nadesan	6	8
Mrs S Williams	5	8
Mr V O'Mara	1	3

The information given below in respect of each individual Academy is for the year or from the date the Trust if during the year.

Greenacre Academy.

Trustee	Meetings attended	Out of a possible
Mrs S Butler	10	10
Mr A Reese	9	10
Mrs C Bergess	10	10
Mrs KEdge	10	10
Mr O Smith	9	10
Mrs J Harvey	9	10
Mrs N Anderson	10	10
Mrs H Barnard	3	10
Mrs A Cox	10	10
Mrs S Ramarsen	0	4
Mrs K Boon	9	10
Mr KAnang	1	1
Mrs C Baker	1	1

**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**Governance - continued**

Warren Wood Academy

<b>Governors</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mrs SMiles	8	9
Mr A Reese	9	9
Ms S Bridger	8	9
Mrs M Nadesan	9	9
Mr B Hulme	8	8
Mrs G Strydon	9	9
Mrs D Simmonds	7	8
Mr T Clarke	5	9
MrG Hake	6	7
Mr B Singh	6	6
MrV O'Mara	3	3
Mrs J Clark	1	3
Mrs B Guess	3	3

The Local Governing Body has undertaken a review of governors visits to the Academy which included discussing past visits and how to further formalise the information gathered. A Visit policy and pro-forma for recording visits was agreed. The process is regularly reviewed at Governors meetings and additional Work Scrutiny training is planned. An end of year review will take place, this will include feedback on the impact of governors understanding of the process of learning in the Academy.

The Governors have also had the opportunity to provide input into the updating of the School Improvement Plan, this took place on Governors Day using worksheets provided by the Head of School. The School Improvement Plan is used throughout the year as an information tool for governors to evaluate the Academy's progress.

The Finance Committee is a sub-committee of the main board of trustees. We do not have a separate Audit Committee and the audit functions are embedded in the Finance Committee. Its purpose is to:

1. In consultation with the Head Teacher, to draft the first formal budget plan of the financial year
2. To establish and maintain an up-to-date 3 year financial plan
3. To consider a budget position statement at least termly and to report significant anomalies from the anticipated position to the Governing Body
4. To ensure that the school operates within the Financial Regulations
5. To annually review all finance related policies
6. To make decisions on expenditure following recommendations from other committees
7. To ensure that sufficient funds are available for pay increments as recommended by the Head Teacher and the Head Teaches Performance Management Team.
8. To monitor expenditure of any voluntary funds kept on behalf of the Governing Body

Attendance at meetings in the year was as follows:

<b>Finance Committee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
Mrs C Bergess	6	6
Mrs S Butler	6	6
Mr A Reese	6	6
Ms N King (OBE)	6	6



**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**Review of Value for Money**

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

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

- regularly review the functions of the Trust and Academies, challenging how and why services are provided and setting targets and performance indicators for improvement
- monitor outcomes and compare performance with similar Trusts and Academies' and within.
- consult appropriate stakeholders before major decisions are made
- promote fair competition through quotations and tenders to ensure that goods and services are secured in the most economic, efficient and effective way

We seek to ensure that the Trust and Academies' are using its resources effectively to meet the needs of pupils.

Collectively during the year; sought to achieve Best Value by focusing on the following activities:

The planning, delivery and monitoring of the curriculum by further personalising learning, for example by:

- Evaluating changes to the KS4, Ks3 and KS2 curriculum to ensure outstanding provision and value for money
- Implementing and evaluating the impact of revised specifications for post 16 qualifications
- Meeting, but with focus on exceeding challenging pupil progress targets across the school.
- Robust self-evaluation, reported in the Self Evaluation Form (SEF), with a particular focus on the quality of teaching and learning and on pupil progress.

The care, guidance and support of pupils by:

- Ensuring that all children are valued as individuals and that safeguarding procedures are fully in place.
- Tracking pupil progress and target setting using the respective Academy's', LA and national data

GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015

Review of Value for Money- continued

Staffing by:

- Continuing to implement as far as possible the Workforce remodeling initiatives
- Reviewing TLR and other payments to ensure they are fit for purpose
- Reviewing Appraisal arrangements to ensure that targets are rigorous
- Reducing bureaucracy where possible.
- Working collaboratively across the Trust where savings can be made.

The school environment by:

- Maintaining an annual refurbishment programme.
- Ensuring building programmes progresses efficiently and with no detrimental impact on learning

Resources by:

- Allocating resources as identified in Business Plan addressing the priorities identified in the Improvement Plan
- Obtaining competitive quotations for goods and services.
- Collaborating as a Trust on procurement where possible.

School leadership and management by:

- Putting in place an induction programme for all new teaching staff
- Encouraging applications for appropriate leadership courses from suitable staff.
- Further developing Trust and Academy-based continuing professional development
- Using Trust status to provide professional development opportunities for leaders.

Financial management by:

- Maintaining a careful oversight on expenditure
- Maximising income from lettings.

**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 The Greenacre Academy Trust (A Company Limited by Guarantee) 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 regularly reviewed by the board of trustees.

**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**The Risk and Control Framework**

The academy trust's system of internal financial controls 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:

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

The Board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed McCabe Ford Williams, the external auditor, to perform additional checks on behalf of the internal reviewer. The internal reviewer on the Board of Trustees is Mr T J Martin. The internal reviewer's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in the period included the testing and review of:

- payroll and personnel systems;
- purchase processing systems and tendering procedures;
- completeness of EFA income;
- completeness of other income;
- sales processing and debtors ledger;
- balance sheet control accounts;
- expense claims; and
- petty cash reconciliations.

On a quarterly basis, the internal reviewer takes the auditor's reports to the Board of Trustees concerning the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities. The Board of Trustees confirms that the internal reviewer function has been fully delivered in line with the EFA's requirements and that no material internal control issues were identified during those visits.


**Review of Effectiveness**

As accounting officer, Mr Andrew Reese 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 reviewer;
- 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 Finance and Resources 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 9 December 2015 and signed on its behalf by:

  
.....  
Ms N King (OBE) - Chair of Trustees

  
.....  
A Reese - Accounting Officer

**THE GREENACRE ACADEMY TRUST**  
**{A COMPANY LIMITED BY GUARANTEE}**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2015**

As accounting officer of The Greenacre Academy Trust (A Company Limited by Guarantee) 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

I confirm that I and the academy trust 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 Reese - Accounting Officer

Date: 9 December 2015

**THE GREENACRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES RESPONSIBILITIES  
FOR THE YEAR ENDED 31 AUGUST 2015**

The trustees (who act as governors of The Greenacre Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees 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 academy trust and of the incoming resources and application of resources, including the income and expenditure, of the academy trust for that period. In preparing those financial statements, the trustees are required to

select suitable accounting policies and then apply them consistently;  
observe the methods and principles in the Charity SORP 2005;  
make judgements and estimates that are reasonable and prudent;  
State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and  
prepare the financial statements on the going concern basis unless it is inappropriate to presume that the academy trust will continue in business.

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

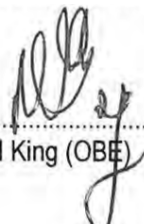
The trustees are responsible for ensuring that in its conduct and operation the academy trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the EFA/DfE have been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

In so far as the trustees are aware:

there is no relevant audit information of which the academy trust's auditors are unaware; and  
the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

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

Approved by order of the board of trustees on 9 December 2015 and signed on its behalf by:

  
.....  
Ms N King (OBE) - Chair of Trustees

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE GREENACRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

We have audited the financial statements of The Greenacre Academy Trust for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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) and the Accounts Direction 2014 to 2015 (SORP 2005) issued by the Education Funding Agency (EFA).

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

**Respective responsibilities of trustees and auditors**

As explained more fully in the Statement of Trustees Responsibilities, 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 academy 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 Report of the Trustees 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 academy trust's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 (SORP 2005) issued by the EFA.

**Opinion on other matter prescribed by the Companies Act 2006**

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF**  
**THE GREENACRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**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.

Liam McHugh ACA (Senior Statutory Auditor)  
for and on behalf of McCabe Ford Williams  
Statutory Auditors and Chartered Accountants  
Bank Chambers  
1 Central Avenue  
Sittingbourne  
Kent  
ME10 4AE

Date: 9 December 2015

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
THE GREENACRE ACADEMY TRUST  
AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 29 October 2015 and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2014 to 2015 (SORP 2005), we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Greenacre Academy Trust (A Company Limited by Guarantee) 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 The Greenacre 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 The Greenacre Academy Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Greenacre Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Greenacre Academy Trust's accounting officer and the reporting accountant  
The accounting officer is responsible, under the requirements of The Greenacre Academy Trust's funding agreement with the Secretary of State for Education 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 (SORP 2005). 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 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 2014 to 2015 (SORP 2005) 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 ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO  
THE GREENACRE ACADEMY TRUST  
AND THE EDUCATION FUNDING AGENCY**

The work undertaken to draw our conclusion includes:

- Review of the internal control environment which is designed to ensure compliance with regulations;
- Review of the accounting officer's consideration of issues surrounding regularity, propriety and compliance;
- Review of the work and reports of the responsible officer during the period;
- Analytical procedures regarding declaration of potential conflicts of interest by key staff and the governing body;
- Review of fixed asset transactions against the requirements of the funding agreement between Greenacre Academy and the Secretary of State and the Academies Financial Handbook;
- Testing of grants and other income for application in accordance with the terms and requirements attached;
- Review of the academy trust's activities to check they are in line with the Academies Framework and the academy trust's charitable objectives;
- Review of bank statements and financial transactions for indications of any items which may be improper;
- Review of bank accounts to check that they are operated within the terms of the academy trust's governing document and borrowing limits imposed by the funding agreement are not exceeded;
- Testing of expenditure, including expense claims for signs of transactions for personal benefit;
- Review of any extra-contractual payments made to staff;
- Review of procurement activity during the period

**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.

Liam McHugh ACA (Reporting Accountant) for  
and on behalf of McCabe Ford Williams  
Statutory Auditors and Chartered Accountants  
Bank Chambers  
1 Central Avenue  
Sittingbourne  
Kent  
ME104AE

Date: 9 December 2015

THE GREENACRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2015

		31.8.15	31.8.14			
	Notes	Unrestricted fund £	Restricted funds £	Restricted fixed asset funds £	Total funds £	Total funds £
<b>INCOMING RESOURCES</b>						
Incoming resources from generated funds						
Voluntary income	2	13,947	1,449		15,396	1,321
Voluntary income - Transfer from Local Authority on conversion	2 & 26		(11,000)		(11,000)	3,271,685
Activities for generating funds	3	312,613	112,779		425,392	321,545
Incoming resources from charitable activities						
Academy's educational operations	4	<u>                    </u>	<u>6,666,524</u>	<u>233,305</u>	<u>6,899,829</u>	<u>6,935,713</u>
Total incoming resources		326,560	6,769,752	233,305	7,329,617	10,530,264
<b>RESOURCES EXPENDED</b>						
Costs of generating funds						
Fundraising trading: cost of goods sold and other costs	6	(2,838)	103,916		101,078	28,110
Charitable activities						
Academy's educational operations	7	393,789	6,713,148	948,136	8,055,073	7,547,180
Governance costs	8	<u>                    </u>	<u>17,775</u>	<u>                    </u>	<u>17,775</u>	<u>14,435</u>
Total resources expended	5	390,951	6,834,839	948,136	8,173,926	7,589,725
<b>NET (OUTGOING)/INCOMING RESOURCES</b>						
		(64,391)	(65,087)	(714,831)	(844,309)	2,940,539
Gross transfers between funds	22	<u>                    </u>	(36,315)	<u>36,315</u>	<u>                    </u>	<u>                    </u>
Net (outgoing)/incoming resources before other recognised gains and losses		(64,391)	(101,402)	(678,516)	(844,309)	2,940,539
Other recognised gains/losses						
Actuarial (losses)/gains on defined benefit schemes		<u>                    </u>	(85,000)	<u>                    </u>	(85,000)	<u>66,000</u>
Net movement in funds		(64,391)	(186,402)	(678,516)	(929,309)	3,006,539

The notes form part of these financial statements

**STATEMENT OF FINANCIAL ACTIVITIES-CONTINUED**  
**{INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT}**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

	31.8.15	31.8.14			
Notes	Unrestricted fund £	Restricted funds £	Restricted fixed asset funds £	Total funds £	Total funds £
<b>RECONCILIATION OF FUND S</b>					
<b>Net movement in funds</b>	(64,391)	(186,402)	(678,516)	(929,309)	3,006,539
<b>Total funds brought forward</b>	279,943	(1,328,929)	15,949,366	14,900,380	11,893,841
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>215,552</u>	<u>(1,515,331)</u>	<u>15,270,850</u>	<u>13,971,071</u>	<u>14,900,380</u>

**CONTINUING OPERATIONS**

All of the Academy's activities derive from continuing operations during the current financial period.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

**THE GREENACRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE) (REGISTERED NUMBER: 07965316)**

**BALANCE SHEET AT**  
**31 AUGUST 2015**

	Notes	31.8.15 £	31.8.14 £
<b>FIXED ASSETS</b>			
Tangible assets	14	15,255,399	15,723,498
<b>CURRENT ASSETS</b>			
Stocks	15	4,908	2,822
Debtors	16	59,677	130,784
Prepayments and accrued income		77,292	978,788
Cash at bank and in hand		<u>479,322</u>	<u>155,262</u>
		621,199	1,267,656
<b>CREDITORS</b>			
Amounts falling due within one year	17	(336,527)	(732,774)
<b>NET CURRENT ASSETS</b>		284,672	<u>534,882</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		15,540,071	16,258,380
<b>PENSION LIABILITY</b>	23	(1,569,000)	(1,358,000)
<b>NET ASSETS INCLUDING PENSION LIABILITY</b>		<u>13,971,071</u>	<u>14,900,380</u>
<b>FUNDS</b>	22		
Unrestricted funds		215,552	279,943
Restricted fixed asset funds		15,270,851	15,949,366
Restricted funds		53,668	29,071
Pension fund		(1,569,000)	(1,358,000)
<b>TOTAL FUNDS</b>		<u>13,971,071</u>	<u>14,900,380</u>

The financial statements on pages twenty four to forty nine were approved by the Board of Trustees on 9 December 2015 and were signed on its behalf by:

Ms N  -Chair of Trustees

The notes form part of these financial statements

THE GREENACRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)

CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	31.8.15 £	31.8.14 £
Net cash inflow/(outflow) from operating activities		244,208	(1,476,121)
Returns on investments and servicing of finance	2	(552)	(352)
Capitalexpenditure and financialinvestment	2	137,114	1,628,881
		<hr/>	<hr/>
Increase in cash in the period		380,770	152,408
<hr/>			
Reconciliation of net cash flow to movement in net debt	3		
Increase in cash in the period		380,770	<u>152,408</u>
Change in net debt resulting from cash flows		380,770	<u>152,408</u>
Movement in net debt in the period		380,770	152,408
Net debt at 1 September		98,552	(53,856)
Net debt at 31 August		<u>479,322</u>	<u>98,552</u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2015

1. RECONCILIATION OF NET (OUTGOING)\INCOMING RESOURCES TO NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES

	31.8.15	31.8.14
	£	£
Net (outgoing)\incoming resources	(844,309)	2,940,539
Depreciation charges	564,290	460,888
Capital grants from DfE/EFA	(233,305)	(1,634,715)
Transfer from Local Authority on conversion	11,000	(2,985,750)
Interest paid	552	352
(Increase)\decrease in stocks	(2,086)	7,902
Decrease/(increase) in debtors	972,603	(753,525)
(Decrease)/increase in creditors	(339,537)	417,188
Difference between pension charge and cash contributions	115,000	71,000
Net cash inflow/(outflow) from operating activities	244,208	(1,476,121)

2. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	31.8.15	31.8.14
	£	£
Returns on investments and servicing of finance		
Interest paid	➤	(352)
Net cash outflow for returns on investments and servicing of finance	(552)	(352)
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(96,191)	(5,834)
Capital grants from DfE/EFA	<u>233,305</u>	<u>1,634,715</u>
Net cash inflow for capital expenditure and financial investment	<u>137,114</u>	<u>1,628,881</u>

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.9.14	Cash flow	At 31.8.15
	£	£	£
Net cash:			
Cash at bank and in hand	155,262	324,060	479,322
Bank overdrafts	(56,710)	<u>56,710</u>	<u>          </u>
	<u>98,552</u>	<u>380,770</u>	<u>479,322</u>
	<u>          </u>	<u>          </u>	<u>          </u>
Total	98,552	380,770	479,322

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2015**

**1. 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 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

**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 trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The academy has a consistent pupil roll and is always over-subscribed. The academy produces its annual budgets with prudent figures for both income and expenditure. For this reason the trustees continue to adopt the going concern basis in preparing the financial statements.

**Incoming resources**

All incoming resources are recognised when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. Certain incoming resources are received in advance of the provision of the relevant service and as such is deferred until the service commences. Some services are provided in advance of the income being received and as such is accrued until the income is received and recognised in the statement of financial activities.

**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.

**Sponsorship income**

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

**Donations**

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

NOTES TO THE FINANCIAL STATEMENTS CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES • continued

**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.

**Donated goods, facilities and services**

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

**Resources expended**

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated to activities 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. All resources expended are inclusive of irrecoverable VAT.

**Cost of generating funds**

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

**Charitable activities**

These are costs incurred on the academy trust's educational operations.

**Governance costs**

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

**Allocation and apportionment of costs**

Charitable activities are those costs incurred directly in the provision of education. These are split between direct costs and support costs. Direct costs are those which are attributable to the provision of education and support costs are costs in support of expenditure of the provision of education.

Costs of generating funds are those costs incurred in the provision of activities and services ancillary to the provision of education.

Where costs cannot be directly attributed to particular headings they have been allocated to activities 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.

**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 25.



**NOTES TO THE FINANCIAL STATEMENTS • CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES - continued**

**Tangible fixed assets**

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

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

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

Buildings	straight line over 50 years
Land	over the term of the lease not depreciated if owned
Furniture and Equipment	straight line over 5 years
Computers Motor Vehicles	straight line over 3 years
Improvements to Property	straight line over 5 years straight line over 50 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.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, on a first in first out basis, after making due allowance for obsolete and slow moving items.

**Taxation**

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

**Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency, Department for Education and Kent County Council.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**1. ACCOUNTING POLICIES - continued**

**Hire purchase and leasing commitments**

Rentals in respect of operating leases are charged to the Statement of Financial Activities in the period in which they are incurred.

**Pension benefits**

Retirement benefits to employees of the academy 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 academy.

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 23, the TPS is a multi employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

**Leasehold property**

The land and buildings from which the Greenacre school operates are leased from Kent County Council for a period of 125 years. Rentals payable in respect of this lease are one peppercorn per annum. Under the terms of the lease the risks and rewards of ownership have been substantially transferred to Greenacre Academy and accordingly to reflect its use, the value of the property has been included in fixed assets with an appropriate credit to voluntary income within the restricted fixed asset fund. The property was valued at depreciated replacement cost on 1 April 2012 by Peter F Ashby MRICS, Senior Surveyor, RIGS Registered Valuer DVS, who specialises in public sector property valuation. The valuation was specifically carried out in accordance with the capital accounting requirements of the Charities SORP 2005.

**2. VOLUNTARY INCOME**

	Unrestricted funds £	Restricted funds £	31.8.15 Total funds £	31.8.14 Total funds £
Donations	13,947	1,449	<u>15,396</u>	<u>1,321</u>
Transfer on conversion to an Academy		(11,000)	(11,000)	<u>3,271,865</u>
	13,947	(9,551)	<u>4,396</u>	<u>3,273,186</u>

**THE GREEN ACRE ACADEMY TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS • CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds £	Restricted funds £	31.8.15 Total funds £	31.8.14 Total funds £
Trip Income		94,669	94,669	14,539
Sponsorships	3,800		3,800	3,800
Other Income	16,988	18,110	35,098	33,366
Hire of facilities	291,314		291,314	268,197
Catering income	511		511	1,643
	<u>312,613</u>	<u>112,779</u>	<u>425,392</u>	<u>321,545</u>

4. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £	Restricted funds £	31.8.15 Total funds £	31.8.14 Total funds £
DfEJEFA revenue grant				
General Annual Grant (GAG)		6,047,075	6,047,075	4,906,975
Other DfE/EFA grants		453,384	453,384	254,679
		6,500,459	6,500,459	5,161,654
DfEJEFA capital grant				
Devolved Capital Grant		27,627	27,627	25,238
Academies Capital Maintenance Fund		205,678	205,678	1,609,477
		233,305	233,305	1,634,715
Other government grant				
Local Authority grants		166,065	166,065	132,062
Private sector sponsorship				
Special educational projects				7,282
		<u>6,899,829</u>	<u>6,899,829</u>	<u>6,935,713</u>

**THE GREENACRE ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**5. RESOURCES EXPENDED**

	31.8.15	31.8.14
	Total	Total
	£	£
	Staff costs	Non-pay expenditure
	£	Premises Other costs
	£	£ £
<b>Costs of generating funds</b>		
Fundraising trading: cost of goods sold and other costs	101,078	101,078 28,110
<b>Charitable activities</b>		
<b>Academies educational operations</b>		
Direct costs	4,263,109	265,840 740,693 5,269,642 4,971,218
Allocated support costs	<u>1,522,760</u>	<u>872,648</u> <u>390,023</u> <u>2,785,431</u> <u>2,575,962</u>
	5,785,869	1,138,488 1,231,794 8,156,151 7,575,290
Governance costs including allocated support costs	<u>                    </u>	<u>                    </u> <u>17,775</u> <u>17,775</u> <u>14,435</u>
	<u>5,785,869</u>	<u>1,138,488</u> <u>1,249,569</u> <u>8,173,926</u> <u>7,589,725</u>

Net resources are stated after charging/(crediting):

	31.8.15	31.8.14
	£	£
Auditors' remuneration	16,180	10,955
Auditors' remuneration for non-audit work	1,575	3,440
Depreciation - owned assets	<u>564,290</u>	<u>460,888</u>

**6. FUNDRAISING TRADING: COST OF GOODS SOLD AND OTHER COSTS**

	31.8.15	31.8.14
	Unrestricted funds	Restricted funds
	£	£
	Total funds	Total funds
	£	£
Purchases	2,070	10,036
Closing stock	(4,908)	(2,070)
School Trip Costs	<u>                    </u>	<u>93,880</u>
	(2,838)	103,916
	<u>101,078</u>	<u>28,110</u>

**NOTES TO THE FINANCIAL STATEMENTS-CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**7. RESOURCES EXPENDED FROM CHARITABLE ACTIVITIES-ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £	Restricted funds £	31.8.15 Total funds £	31.8.14 Total funds £
<b>Direct costs</b>				
Teaching and educational support staff	393,789	3,869,320	4,263,109	4,147,765
Depreciation		515,099	515,099	421,309
Technology costs		69,335	69,335	30,752
Educational supplies		257,213	257,213	259,264
Examination fees		109,917	109,917	78,437
Staff development		1,702	1,702	1,457
Goods and services		53,267	53,267	32,234
	<u>393,789</u>	4,875,853	5,269,642	4,971,218
<b>Allocated support costs</b>				
Support staff costs		1,522,760	1,522,760	423,788
Depreciation		49,192	49,191	39,578
Technology costs		30,676	30,676	58,807
Recruitment and support		49,906	49,906	26,153
Maintenance of premises and equipment		92,598	92,598	46,951
Cleaning		113,294	113,294	124,625
Rent and rates		39,867	39,867	42,980
Energy costs		85,654	85,654	77,249
Insurance		80,085	80,085	27,334
Security and transport		18,347	18,347	10,037
Catering		89,255	89,255	53,719
Interest payable and similar charges		552	552	352
Other support costs		613,245	613,246	1,644,389
		2,785,431	2,785,431	2,575,962
	<u>393,789</u>	<u>7,661,284</u>	<u>8,055,073</u>	<u>7,547,180</u>

**8. GOVERNANCE COSTS**

	Unrestricted funds £	Restricted funds £	31.8.15 Total funds £	31.8.14 Total funds £
Other Professional Costs		20	20	40
Auditors' remuneration		16,180	16,180	10,955
Auditors' remuneration for non-audit work		1,575	1,575	3,440
		17,775	<u>17,775</u>	<u>14,435</u>

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**9. TRUSTEES' REMUNERATION AND BENEFITS**

The principal and other 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 payments, other than expenses, from the academy trust in respect of their role as trustees. The value of the trustees' remuneration, pro rated, was as follows:

Mr Andy Reese (principal and staff trustee)	
Remuneration	£130,000- £135,000 (2014: £105,000 - £110,000)
Employer's pension contributions	£20,000 – £25,000 (2014: £20,000- £25,000)
Ms K Edge (staff trustee)	
Remuneration	£65,000 - £70,000 (2014: not a trustee)
Employer's pension contributions	£10,000 - £15,000 (2014: not a trustee)
Ms M Nadesan (staff trustee)	
Remuneration	£55,000 - £60,000 (2014: £nil)
Employer's pension contributions	£5,000-£10,000 (2014: not a trustee)

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31 August 2015 nor for the year ended 31 August 2014.

Other related party transactions are set out in note 24.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**10. STAFF COSTS**

	31.8.15	31.8.14
	£	£
Wages and salaries	4,582,314	3,681,045
Social security costs	347,591	266,360
Other pension costs	631,849	<u>504,347</u>
	5,561,754	4,451,752
Supply teacher costs	124,709	77,096
Other staff costs	99,406	<u>42,705</u>
	<u>5,785,869</u>	<u>4,571,553</u>

The average number of persons (including senior management team) employed by the academy trust during the year expressed as full time equivalents was as follows:

	31.8.15	31.8.14
Teachers and educational support	85	67
Administration and support	61	71
Management	13	13
	159	151

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

	31.8.15	31.8.14
£60,001 - £70,000	1	
£100,001 - £110,000		
£130,001-£135,000		
	2	1

**11. TRUSTEES' AND OFFICERS' INSURANCE**

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

**12. PROPERTY TRANSFERRED UPON CONVERSION TO AN ACADEMY**

Upon becoming an Academy, the Warren Wood Primary School received title to the freehold of the school buildings for no consideration. The freehold property has been valued using the depreciated replacement cost method. This reflects that the asset is specialised and follows the assumptions set out in GN6 of the RICS Professional Standards. The valuation has been undertaken on the Special Assumption of Instant Build, in accordance with the Charity SORP. The property has been brought into the restricted fixed asset fund as a donation within the Statement of Financial Activities.

**THE GREENACRE ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS- CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**13. CENTRAL SERVICES**

The trust has provided the following central services during the year:

- Human resources
- Financial services
- Legal services
- Educational support services
- ICT Network and data analysis management
- Others as arising

The actual amounts charged during the year were as follows:

	Year ended 31.8.15 £
Top Slice Greenacre	284,374
Top Slice Warren Wood	93,978
EFA Funding	75,000
Direct wages costs	(262,777)
Governance costs	(1,750)
Support staff wages costs	(149,125)
Other support costs	(26,454)
Funding carried forward at 31 August 2015	<u>13,246</u>

The Trust charges each individual academy a flat percentage of 6.5% of GAG income.



**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**14. TANGIBLE FIXED ASSETS**

	Freehold property £	Long leasehold £	Improvements to property £	Plant and machinery £
<b>COST</b>				
At 1 September 2014	2,833,000	12,714,000	9,176	183,429
Additions			<u>27,000</u>	
At 31 August 2015	<u>2,833,000</u>	<u>12,714,000</u>	<u>36,176</u>	<u>183,429</u>
<b>DEPRECIATION</b>				
At 1 September 2014	8,093	567,008	337	88,586
Charge for year	56,660	<u>234,624</u>	<u>678</u>	<u>36,686</u>
At 31 August 2015	<u>64,753</u>	<u>801,632</u>	<u>1,015</u>	<u>125,272</u>
<b>NET BOOK VALUE</b>				
At 31 August 2015	<u>2,768,247</u>	<u>11,912,368</u>	<u>35,161</u>	<u>58,157</u>
At 31 August 2014	<u>2,824,907</u>	<u>12,146,992</u>	<u>8,839</u>	<u>94,843</u>
<b>COST</b>				
At 1 September 2014	749,983	1,500	312,145	16,803,233
Additions	<u>28,315</u>		<u>40,876</u>	<u>96,191</u>
At 31 August 2015	<u>778,298</u>	<u>1,500</u>	<u>353,021</u>	<u>16,899,424</u>
<b>DEPRECIATION</b>				
At 1 September 2014	193,772	725	221,214	1,079,735
Charge for year	155,660	<u>300</u>	79,682	<u>564,290</u>
At 31 August 2015	349,432	<u>1,025</u>	300,896	<u>1,644,025</u>
<b>NET BOOK VALUE</b>				
At 31 August 2015	<u>428,866</u>	<u>475</u>	<u>52,125</u>	<u>15,255,399</u>
At 31 August 2014	<u>556,211</u>	<u>775</u>	<u>90,931</u>	<u>15,723,498</u>

Included in cost or valuation of land and buildings is freehold land of £405,000 (2014- £405,000)

NOTES TO THE FINANCIAL STATEMENTS • CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015

15. STOCKS

	31.8.15	31.8.14
	£	£
Clothing	4,908	<u>2,822</u>

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.15	31.8.14
	£	£
Trade debtors	14,932	25,202
Other debtors	<u>44,745</u>	<u>105,582</u>
	<u>59,677</u>	<u>130,784</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.8.15	31.8.14
	£	£
Bank loans and overdrafts (see note 18)		56,710
Trade creditors	29,564	402,358
Social security and other taxes		13,298
Accrued expenses	<u>306,963</u>	<u>260,408</u>
	<u>336,527</u>	<u>732,774</u>

18. LOANS

An analysis of the maturity of loans is given below:

	31.8.15	31.8.14
	£	£
Amounts falling due within one year on demand:		
Bank overdrafts		<u>56,710</u>

**NOTES TO THE FINANCIAL STATEMENTS-CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**19. OPERATING LEASE COMMITMENTS**

The following operating lease payments are committed to be paid within one year:

	Other operating leases	
	31.8.15	31.8.14
	£	£
Expiring:		
Within one year	4,735	718
Between one and five years	9,016	12,624
	13,751	13,342

**20. 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.

**21. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

				31.8.15	31.8.14
	Unrestricted fund	Restricted funds	Restricted fixed asset funds	Total funds	Total funds
	£	£	£	£	£
Fixed assets			15,255,399	15,255,399	15,723,498
Current assets	215,552	124,631	281,016	621,199	1,267,656
Current liabilities		(70,963)	(265,564)	(336,527)	(732,774)
Pension liability		(1,569,000)	<u>                    </u>	(1,569,000)	(1,358,000)
	215,552	<u>(1,515,332)</u>	15,270,851	<u>13,971,071</u>	<u>14,900,380</u>

**THE GREENACRE ACADEMY TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS-CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**22. MOVEMENT IN FUNDS**

	At 1.9.14 £	Net movement in funds £	Transfers between funds £	At 31.8.15 £
<b>Unrestricted funds</b>				
General fund	279,943	(64,391)		215,552
<b>Restricted general funds</b>				
General Annual Grant	(2,540)	52,889	(25,515)	24,834
Pension reserve	(1,358,000)	(211,000)		(1,569,000)
School voluntary fund	31,611	5,223	(8,000)	28,834
Other income	<u>                    </u>	<u>2,800</u>	<u>(2,800)</u>	<u>                    </u>
	(1,328,929)	(150,088)	(36,315)	(1,515,332)
<b>Restricted fixed asset funds</b>				
Transfer of property	13,365,567	(278,180)		13,087,387
DfE/EFA capital grants	239,903	(165,945)		73,958
Donations of other assets	2,339,441	(262,560)	10,800	2,087,681
Capital expenditure from GAG	<u>4,455</u>	<u>(8,145)</u>	<u>25,515</u>	<u>21,825</u>
	<u>15,949,366</u>	<u>(714,830)</u>	<u>36,315</u>	<u>15,270,851</u>
<b>Total restricted funds</b>	<u>14,620,437</u>	<u>(864,918)</u>	<u>                    </u>	<u>13,755,519</u>
<b>TOTAL FUNDS</b>	<u>14,900,380</u>	<u>(929,309)</u>	<u>                    </u>	<u>13,971,071</u>

**NOTES TO THE FINANCIAL STATEMENTS-CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**22. MOVEMENT IN FUNDS • continued**

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
<b>Unrestricted funds</b>				
General fund	326,560	(390,951)		(64,391)
<b>Restricted general funds</b>				
General Annual Grant	6,047,073	(5,994,184)		52,889
Other DfE/EFA grants	453,384	(453,384)		
Pension reserve	(11,000)	(115,000)	(85,000)	(211,000)
Other government grants	103,196	(103,196)		
School voluntary fund	99,618	(94,395)		5,223
Other income	77,481	(74,681)	—	2,800
	6,769,752	(6,834,840)	(85,000)	(150,088)
<b>Restricted fixed asset funds</b>				
Transfer of property		(278,180)		(278,180)
DfE/EFA capital grants	233,305	(399,250)		(165,945)
Donations of other assets		(262,560)		(262,560)
Capital expenditure from GAG	—	(8,145)	—	(8,145)
	233,305	(948,135)	—	(714,830)
<b>Total restricted funds</b>	7,003,057	(7,782,975)	(85,000)	(864,918)
<b>TOTAL FUNDS</b>	7,329,617	(8,173,926)	(85,000)	(929,309)

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

**General Annual Grant (GAG)**

Funds must be used for the normal running costs of the Academy.

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

**Other restricted general funds**

Funding is provided by Government grants in addition to the GAG which must be used for the provision of education for special needs purposes and other specified activities.

**Restricted fixed asset funds**

Funding is provided by way of Government grants or capital expenditure from the GAG in order to acquire specified fixed assets for use by the Academy in achieving its educational objectives.

A one-off transfer of buildings and other fixed assets previously in use by Greenacre Academy and Warren Wood Primary School occurred upon conversion to an Academy.

**Unrestricted funds**

Unrestricted funds can be used for any purpose at the discretion of the Academy.

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**22. MOVEMENT IN FUNDS • continued**

**Transfers between funds**

During the year the academy has used £25,515 of GAG income to purchase capital equipment.

The academy also received a donation of £8,000 from the School Voluntary Fund to aid in the purchase of capital equipment.

A further donation of £2,800 was received during the year and was used to purchase a library for Warren Wood Primary School.

**Analysis of academies by fund balance**

Fund balances at 31 August 2015 were allocated as follows:

	31.8.15	31.8.14
	£	£
Greenacre Academy	21,965	27,628
Warren Wood Primary	234,009	281,386
Greenacre MAT (note 13)	<u>13,246</u>	<u>          </u>
Total before fixed assets and pension reserve	<u>269,220</u>	<u>309,014</u>
Restricted fixed asset fund	15,270,851	15,949,366
Pension liability	(1,569,000)	(1,358,000)
Total	13,971,071	14,900,380

**Analysis of academies by cost**

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

	Teaching and educational support costs £	Other support staff costs £	Educational supplies £	Other costs (excluding depreciation) £	Total £
Greenacre Academy	3,150,020	1,408,230	166,183	1,235,981	5,960,414
Warren Wood Primary	<u>1,113,089</u>	114,530	91,030	<u>330,572</u>	<u>1,649,221</u>
	<u>4,263,109</u>	<u>1,522,760</u>	<u>257,213</u>	<u>1,566,553</u>	<u>7,609,635</u>

**NOTES TO THE FINANCIAL STATEMENTS-CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**23. 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, which is managed by Kent County Council. Both are multiemployer defined-benefit schemes.

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

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

**Teachers' pension scheme**

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

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

**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
- 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 employer pension costs paid to TPS in the period amounted to £463,943 (2014: £457,060).

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 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.

**NOTES TO THE FINANCIAL STATEMENTS • CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**23. 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 £290,000 (2014: £203,000), of which employer's contributions totalled £225,000 and employees' contributions totalled £65,000 (2014: £159,000 and £44,000). The agreed employer contribution rate for the current year is 19% rising to 19.8% in April 2016 and between 2.75% - 12.5% for employees.

The LGPS obligation relates to the employees of the academy trust, who were employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme since that date. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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 amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	31.8.15	31.8.14
	£	£
Present value of funded obligations	(3,517,000)	(2,643,000)
Fair value of plan assets	1,948,000	1,285,000
	<u>(1,569,000)</u>	<u>(1,358,000)</u>
Deficit	(1,569,000)	(1,358,000)
Liability	(1,569,000)	<u>(1,358,000)</u>

The amounts recognised in the statement of financial activities are as follows:

	Defined benefit pension plans	
	31.8.15	31.8.14
	£	£
Current service cost	316,000	190,000
Interest cost	135,000	98,000
Expected return	(111,000)	(58,000)
	340,000	230,000
Actual return on plan assets	54,000	192,000

The expected return on assets is based on the long-term future expected investment return for each asset class at the beginning of the period. The returns on gilts and other bonds are assumed to be the gilt yield and corporate bond yield (with an adjustment to reflect default risk) respectively at the relevant date. The returns on equities and property are then assumed to be a margin above gilt yields.

The actuarial 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 £256,000 loss (2013: £322,000 loss).



**THE GREENACRE ACADEMY TRUST  
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS-CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015**

**23. PENSION AND SIMILAR OBLIGATIONS -continued**

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	31.8.15	31.8.14
	£	£
Defined benefit obligation	(3,026,000)	(1,988,000)
Current service cost	(316,000)	(190,000)
Contributions by scheme participants	(65,000)	(44,000)
Interest cost	(135,000)	(98,000)
Obligation on Conversion		(255,000)
Actuarial losses/(gains)	(28,000)	(68,000)
Benefits paid	53,000	
	(3,517,000)	(2,643,000)

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	31.8.15	31.8.14
	£	£
Fair value of scheme assets	1,657,000	890,000
Contributions by employer	225,000	159,000
Contributions by scheme participants	65,000	44,000
Expected return	111,000	58,000
Actuarial gains/(losses)	(57,000)	134,000
Benefits paid	(53,000)	
	1,948,000	1,285,000

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	Defined benefit pension plans	
	31.8.15	31.8.14
Equities	68%	69%
Gilts	1%	1%
Other bonds	11%	12%
Property	13%	10%
Cash	3%	4%
Target return portfolio	4%	4%

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2015

23. PENSION AND SIMILAR OBLIGATIONS - continued

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages)

	31.8.15	31.8.14
Discount rate	4%	4%
Expected return on scheme assets	6%	6%
Future salary increases	4.5%	4.5%
Future pension increases	2.7%	2.7%
CPI Increases	2.7%	2.7%
RPI Increases	3.6%	3.5%
Commutation of pension to lump sums	50%	50%

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

	31.8.15	31.8.14
<b>Retiring today</b>		
Males	22.8	22.7
Females	25.2	25.1
<b>Retiring in 20 years</b>		
Males	25.1	24.9
Females	27.6	27.4

The following table sets out the impact of a small change in the discount rates on the defined benefit obligation and projected service cost along with a +/- 1 year age rating adjustment to the mortality assumption:

	£	£	£
Adjustment to discount rate	+0.1%	0.0%	-0.1%
Present value of total obligation	3,437,000	3,517,000	3,599,000
Projected service cost	306,000	313,000	320,000
Adjustment to mortality age rating assumption	+ 1 year	None	- 1 year
Present value of total obligation	3,609,000	3,517,000	3,427,000
Projected service cost	321,000	313,000	305,000

**NOTES TO THE FINANCIAL STATEMENTS • CONTINUED**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

**23. PENSION AND SIMILAR OBLIGATIONS - continued**

Amounts for the current and previous two periods are as follows:

	31.8.15 £	31.8.14 £	31.8.13 £
<b>Defined benefit pension plans</b>			
Defined benefit obligation	(3,517,000)	(2,643,000)	(1,988,000)
Fair value of scheme assets	1,948,000	1,285,000	890,000
Deficit	(1,569,000)	(1,358,000)	(1,098,000)
Experience adjustments on scheme liabilities		90,000	87,000
Experience adjustments on scheme assets	(49,000)	134,000	

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

	Fair value at 31 August 2015 £	Fair value at 31 August 2014 £
Equities	1,320,000	877,000
Gilts	20,000	16,000
Other bonds	213,000	151,000
Property	261,000	131,000
Cash	51,000	54,000
Target return portfolio	83,000	<u>56,000</u>
<b>Total market value of assets</b>	1,948,000	1,285,000
Present value of scheme liabilities		
-Funded	(3,517,000)	(2,388,000)
<b>Deficit in the scheme</b>	(1,569,000)	<u>(1,103,000)</u>

**24. RELATED PARTY DISCLOSURES**

Owing to the nature of the Academy's operations and the composition of the board of Governors 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 Academy's financial regulations and normal procurement procedures.

**25. 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 £23,980 and disbursed all of this from the fund.