



**IPSWICH PRIMARY ACADEMIES TRUST**  
(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**



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**IPSWICH PRIMARY ACADEMIES TRUST**  
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**Members**

E Casey  
G H Clarke  
Reverend P Daltry  
B Keaney  
B Leeke  
Professor J H West-Burnham  
R Williams

**Trustees**

Professor J H West-Burnham, Chair of Trustees  
E Casey  
G H Clarke  
C E Flintoff, Staff Trustee  
C E Gartland  
B D Gostling  
M C B Mattinson (appointed 1 October 2016)  
J J Pentreath, Staff Trustee  
G R Stevens  
R I Dedicoat, Staff Trustee (resigned 31 December 2015)  
R J Helleur (resigned 24 June 2016)

**Company registered number**

09434926

**Company name**

Ipswich Primary Academies Trust

**Principal and registered office**

St Helen's School, Woodbridge Road, Ipswich, Suffolk, IP4 2LT

**Executive Principal**

C E Flintoff

**Senior management team**

R Dedicoat, Headteacher, Whitton Community Primary School  
L Allison, Deputy Headteacher, Whitton Community Primary School  
C Flintoff, Headteacher, St Helen's Primary School  
M Jarvis, Deputy Headteacher, St Helen's Primary School  
P Palmer, Joint Headteacher, The Oaks Community Primary School  
J Pentreath, Joint Headteacher, The Oaks Community Primary School

**Independent auditors**

MA Partners LLP, 7 The Close, Norwich, Norfolk, NR1 4DJ

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**TRUSTEES' REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

**Structure, governance and management**

**a. CONSTITUTION**

The trust is a charitable company limited by guarantee and an exempt charity. The trust's memorandum and articles of association are the primary governing documents. The trustees of Ipswich Primary Academies Trust are also the directors of the charitable company for the purposes of company law.

The Trustees of Ipswich Primary Academies Trust are also the directors of the charitable company for the purpose of company law.

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

**b. MEMBERS' LIABILITY**

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

**c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES**

The management of the trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association.

**d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES**

The training and induction provided for new Trustees will depend on their existing experience.

All new Trustees will be offered a tour of the schools and the chance to meet with staff and pupils. All Trustees are introduced to policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there is expected to be only two or three new Trustees a year, induction will be carried out informally and will be tailored specifically to the individual.

**e. PAY POLICY FOR KEY MANAGEMENT PERSONNEL**

The arrangements for setting the pay and remuneration of all management personnel are detailed in the trust scheme of delegation. The arrangements specifically for key management personnel are:

The Education Committee proposes the initial salary and any subsequent performance related increases of the Executive Principal and Deputy Executive Principal and submits them to the trust board for approval. Head and deputy Head Individual Performance Pay - The Executive Principal (in consultation with Governing Body) proposes the initial salary and any subsequent performance related increases of the Headteachers and deputy Headteachers and submits them to the Education Committee board for approval. The performance reviews of the key management personnel also incorporate feedback by independent external experts.

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

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**f. ORGANISATIONAL STRUCTURE**

The trust was set up with a management structure to support the Education Brief. The current structure consists of two levels: the Trustees and the Senior Leadership Team who are responsible for the day to day running of the schools.

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

An Education Improvement Team (EIT) consisting of the Executive Principal, Deputy Executive Principal and the Headteachers are responsible for leading each trust school on a day to day basis.

These managers control the trust at an executive level implementing the policies laid down by the Trustees and reporting back to them. They are responsible for the day to day operations of the trust, in particular organising the teaching staff, facilities and students.

The EIT is responsible for overall spending, scrutinised by the Chief Operating Officer. The appointment of staff, through short listing and interviews for posts in the Senior Leadership Team always contain a safe recruitment trained individual.

**g. TRUSTEES' INDEMNITIES**

The trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000.

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

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**Objectives and Activities**

**a. OBJECTS AND AIMS**

The principal objects of the trust are to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing a school offering a broad curriculum with a strong emphasis on, but in no way limited to, environmental science and engineering.

For the trust to fully realise its aims, we recognise the role that the family, the immediate community and other Schools and agencies have to play in the development of the children and we actively encourage their participation in the education of the children in our care. The aims of the trust are:

- to stimulate intellectual growth by encouraging enquiry and a love of learning;
- to teach children how to communicate effectively and to provide challenges and opportunities for each child's social, intellectual, emotional and physical development;
- to provide equal opportunity for each pupil to achieve their true potential;
- to provide for pupils a sensitive and stable community in which to work so every child can have the confidence to develop both as an individual and as a responsible member of society;
- to provide a secure and ordered environment in which pupils will be encouraged to respect themselves, others and the environment; and
- to prepare them to cope with the demands and rapidly changing circumstances of our modern world.

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

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**b. OBJECTIVES, STRATEGIES AND ACTIVITIES**

Our Statement of Intent:

- To promote excellence with staff, pupils and parents through high expectations and aspirations for success.
- To equip every pupil with the skills, particularly literacy and numeracy skills, attributes and basic knowledge to succeed in life
- To fully understand the learning needs and barriers of each of our pupils and to carefully monitor and guide their progress in collaboration with parents
- To make learning irresistible, relevant and life-enhancing.
- To retain, train and recruit the best staff at all levels, including Trustees
- To research, develop and implement the best practice and strategies for improvement in all aspects of our operation.
- To develop strong partnerships for the benefit of all, particularly with parents.

We are aiming for:

- every learner to make great progress to achieve well;
- disadvantaged pupils to do at least as well as all children do nationally
- teaching and learning that stimulates, inspires and challenges;
- pupils with positive attitudes to life-long learning and the skills, knowledge and attitudes they need to be successful in life.

Our Students will say:

- I am well prepared for the next stage of my education, with good literacy and numeracy skills and a positive attitude to life-long learning.
- I am responsible, resilient, respectful, open-minded and tolerant.
- I have confidence and I am able to take risks.
- I am a good team player because I listen to others and share my ideas.
- I have good thinking, reflecting, enquiry and learning skills
- I can manage my time, self-motivate, take decisions and lead.
- I want to achieve well and I try my best all the time.
- I am keen to have a role to play in my community and a contribution to make in the future.

Our 10 key strategic objectives are:

- Embed the trust's vision, values and aims ensuring that the vision is widely understood and embraced by pupils, staff, parents, governors and the community, and the values are embodied in all aspects of the trust's work and evident in daily life.
- Grow the number of trust schools to 15 by 2020 – promotion of vision and values, high quality branding, strong central executive team, efficient systems and processes, clarity over accountability and roles (scheme of delegation), risk assessment processes.
- Improve pupil achievement to above national standards – excellent local knowledge of each child and their barriers to learning, frequent checks on progress, efficient data collection and analysis and high expectations that every child can succeed.
- Improve teaching and develop staff - guaranteeing a minimum of 'good' teaching in every trust classroom and continuously growing the amount of outstanding teaching by recruiting and retaining the best staff, empowering, being an excellent employer, providing the best induction and CPD, developing career pathways and succession planning to key posts, ensuring consistency and equity across schools.
- Recruit and train the highest quality leaders through excellent leadership training, succession planning, clear accountability and rigorous line management.
- Ensure excellent quality assurance and risk management processes so that swift action can be taken, barriers are identified and tackled efficiently and accurate information is provided to governors/board.
- Develop excellent curriculum provision to achieve outstanding outcomes so that pupils are keen to attend school, develop a love of learning and see themselves as capable achievers.
- Develop efficient and effective business processes that have a direct impact on improved learning –

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**TRUSTEES' REPORT (continued)**  
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strategically planning resources, improving value for money, use of time, making most of shared resources, consistent and clear policies in all areas.

- Establish effective democratic governance based firmly in the communities we serve, high skills and strong commitment to excellence through clear accountability, terms of reference, positive and active involvement to provide support and challenge to enable the success of the Trust.
- Be a successful, innovative and forward thinking trust seeking out the best practice and expertise, forming links nationally and internationally, driving improvement in our schools with a 'smart' approach, to maximise impact and minimise unnecessary workload.

**c. ACTIVITIES FOR ACHIEVING OBJECTIVES**

Funded through the EFA, which provides a framework for our operation, the trust's main purpose is the advancement of education for the public benefit. Our schools are non selective.

The trust's activities cover a broad curriculum range. Beyond the curriculum breakfast and after school clubs operate; extra tuition is provided outside the usual teaching day and a rich variety of in school and after school activities are provided. School visits and trips are also regularly available for all pupils with the aim of providing experiences beyond that which they would normally receive.

**d. PUBLIC BENEFIT**

The Trustees recognise their charitable responsibilities for the advancement of education as described in the Charity Commission's Statement of Recommended Practice. They have also considered public benefit guidance issued by the Charity Commission. The Trustees have recorded in this report the activities carried out by the trust in order to further charitable purposes for the public benefit.



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

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**Achievements and performance**

**a. KEY PERFORMANCE INDICATORS**

The trust has operated since March 2015 and is in the process of developing a full range of Key Performance Indicators. Three key performance financial indicators are:

	2015/2016	2014/2015
Staffing costs as % of income	77.6%	75.7%
Teaching costs as % of income	48.8%	45.6%
Teaching spend per pupil	£2,724	£2,491

The trust operates three primary schools in Ipswich and has a pupil capacity of 1,176 (excluding nursery places) and had a roll of 1,119 in the school census on 6 October 2016.

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**TRUSTEES' REPORT (continued)**  
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**b. REVIEW OF ACTIVITIES**

The key activities for the trust in the twelve months to 31 August 2016 were:

**IPAT Achievement Summary**

**Whitton**

**Context:** The school had amongst the worst results in Ipswich in 2015 and was subject to DFE monitoring visits. The Trust took on the school in January and it has made rapid improvements. The school operates within a community of high levels of disadvantage and the majority of pupils qualify for Pupil Premium. To continue the rapid improvement work of the trust from January to July an experienced Headteacher (Bridget Burke) has been appointed to lead the school as of September 2016.

**Results/Impact Summary:**

- Early years attainment is now above national average (68%).
- Phonics is now above national average (84%) and has improved by 39% from 2015.
- Attainment in SPAG (73%) is now above national average (from 36% below national average in 2015).
- The school has now met the 2016 floor standards by meeting all the progress measures.
- The school is in line with national averages for progress in Writing and Maths. The school has a progress figure of -3.5 for Reading (which represents improvement since 2015). In 2015 the school had only 64% of children who made two levels of progress in Reading - compared to a national average of 91%. The school is also working with a high profile reading consultant (Martin Gregory) to further support improvements in Reading.
- Combined attainment (36%) is 7% closer to national average than 2015. Reading impacted on limiting further improvements in this measure (although still up 9% compared to national average difference in 2015), but significant changes and intervention introduced in January 2016 will bear fruit for Reading in 2017 (which will in turn impact on the combined measure).
- Attainment in Maths (64%) is above the national average for sponsored academies (62%) and up 7% compared to national averages in 2015. An accurate and realistic picture for writing was established (62%) which provides the base for the school to move this above national average in 2016/17.
- Pupil Premium children achieve at least as well as non Pupil Premium children at the school.

**St Helen's**

**Context:** The school had successful results in 2015 and was above national averages in all key areas - with an attainment figure of 84% combined. In 2016 headline progress data was above national average in Reading (+1.9), Writing (+2.4) and close to being above in Maths (+1.3).

The school operates in an area with two selective church schools within a mile radius and an increasing number of EAL children, 32% (most recently from a Roma background) - who join the school with little or no English and sometimes very little previous schooling. The new tests presented a particular challenge for these children. However, with the expected standard now benchmarked - extensive plans and processes are in place to ensure these children are on an accelerated development pathway to achieve the expected standard or above.

**St Helen's Leadership arrangements:** Currently, Clare Flintoff, the Executive Principal leads the trust alongside the role of Headteacher at St Helen's where there are two full time equivalent Deputy Headteachers. As the trust expands Clare will move into a CEO role full time with a new Headteacher recruited to focus solely on St Helen's to ensure an outstanding judgment at the next inspection. It is important to note, (as the results summary shows) St Helen's is still at or above national averages in the vast majority of areas.

The school has comprehensive plans and involvement of a high profile external consultant to address Maths attainment which was the key limiting factor for combined attainment results. Therefore, with the base that it has

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and changes outlined above - the school is in a strong position to ensure achievement in 2016/17 is Outstanding.

**Results/Impact Summary:**

- Early years attainment is at national average.
- Phonics attainment is 90% - well above national average and a significant improvement on 2015.
- The school is above national averages for progress in both Writing (1.9%) and Reading (2.4%). The school is close to being above National Average in Maths progress at (1.3%).
- The school is 5% above national average for children scoring 110+ in combined at KS2.
- Attainment in SPAG (85%) is significantly above national average.
- Attainment in Reading is (66%) at national average.
- Attainment in Maths is 63% which is 7% below national average. The school introduced Inspire Maths (Singapore textbook) two years ago and is working with Liz Gibbs a high profile Maths consultant to ensure significant improvement in this figure for 2016/7.
- Attainment in Writing is 71% - broadly in line with national, despite the school taking a tough line with teacher assessments.
- Combined is 2% below national average which was largely due to Maths not being as high as expected. The work the school is doing with Liz Gibbs will change this.

**The Oaks**

**Context:** The Oaks is situated in a primarily white working class estate, and significantly has 30% of children in the lower ability prior attainment band. The school was subject to DFE monitoring visits after 2015 results (66%) combined. The trust has put support into the school since January 2016 and as a result progress in Reading and Writing is now at national average and progress in Maths is above. Attainment is close to national average in Maths and Writing but further work is required in Reading. The school is working with a high profile reading consultant (Martin Gregory) to ensure changes begun in January 2016 take the school above national averages for Reading in 2017.

**Results/Impact Summary:**

- The school has met the 2016 floor standards by meeting all the progress measures and is at or above national average in all progress measures.
- Early years attainment is above national average (67%).
- Phonics attainment is significantly above national average (84%).
- The school is within 3% of national averages in Maths (69%), Writing (71%) and SPAG (69%). This is a particularly improved position in Maths (9% up) and SPAG (16% up) from 2015.
- Reading at 49% is a key focus area for the school - which in turn impacted on the combined figure of 41%. Reading interventions begun in January 2016 will bear fruit in 2017.

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

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**Financial review**

**a. GOING CONCERN**

After making appropriate enquiries, the board of Trustees has a reasonable expectation that the trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

As at 31 August 2016, St Helen's Primary School and The Oaks Community Primary School both had net deficits on their portion of the funds (see note 20). Both schools have implemented a plan over the next three financial years to turn the deficits into surpluses and to meet the trust reserves policy. The trust also appointed a dedicated and qualified Chief Finance Officer in November 2016 and introduced a structured and robust approach to financial reporting and management in schools to ensure these plans are delivered.

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

**b. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

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

The Trustees review the risk register identifying major risks to which the trust is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the trust and its finances.

**c. RESERVES POLICY**

The trust will build and maintain a revenue reserve fund to provide flexibility and certainty in forward planning. The current policy is for each academy within the trust to hold revenue reserves equivalent to one month's expenditure (including staff salaries); this is expected to be a minimum of £200,000 across the trust. As at 31 August 2016, the trust had free reserves of £8,876.

All revenue reserves are controlled by the trust Board, including those transferred in upon conversion, and cannot be spent without the approval of the Board. In accordance with EFA and charity accounting standards, the trust will maintain financial records which identify revenue reserves by academy.

The trust will build and maintain a capital reserve fund in line with the reserves approved by the Board from time to time.

**d. DEFICIT**

Under FRS 102 it is necessary to account for the projected pension liability on the trust's share of the Local Government Pension Scheme to a specific pension reserve. As at 31 August 2016 there is a deficit on the pension reserve of £1,940,000.

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**TRUSTEES' REPORT (continued)**  
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**e. PRINCIPAL FUNDING**

Most of the trust's income is obtained from the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2016 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. The trust also receives funding from other government bodies which are shown as restricted funds. There is also income from catering, uniform sales, voluntary trip donations which is shown as unrestricted funding in the financial statements.

The trust also receives grants for fixed assets from the EFA and other government bodies. In accordance with applicable accounting standards, such grants are shown in the Statement of Financial Activities as restricted income (in the fixed asset fund). The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

**f. MATERIAL INVESTMENTS POLICY**

Reserve funds will be held on deposit in an interest bearing account in a UK regulated bank or in other instruments and investments as agreed from time to time by the Board.

The trust will take a very prudent approach to any deposits or investments that it makes, by:

- ensuring financial security takes precedence over revenue maximisation;
- avoiding any types of investment that may be considered novel, contentious or potentially lacking in broad public support;
- taking professional advice where appropriate.

**Plans for future periods**

**a. FUTURE DEVELOPMENTS**

Our Strategic Priority: securing high performance across all schools so that all pupils by the age of 11 have at least achieved nationally expected levels, with a particular focus on the attainment and progress of disadvantaged pupils

We are aiming for disadvantaged pupils, as a group across the trust, to achieve nationally expected levels for all pupils by 2016/17 (in 2014 this was 79%).

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**TRUSTEES' REPORT (continued)**  
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**DISCLOSURE OF INFORMATION TO AUDITORS**

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

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

This report was approved by order of the board of Trustees as the company directors, on 22 December 2016 and signed on its behalf by:



.....  
**Professor J H West-Burnham**  
Chair of Trustees

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**GOVERNANCE STATEMENT**

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**SCOPE OF RESPONSIBILITY**

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

The board of Trustees has delegated the day-to-day responsibility to the Executive 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 Ipswich Primary Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

**GOVERNANCE**

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
R J Helleur	3	3
C E Flintoff	4	4
C E Gartland	2	4
E Casey	4	4
G H Clarke	3	4
R I Dediccoat	1	1
J J Pentreath	4	4
B D Gostling	3	4
G R Stevens	3	4
Professor J H West-Burnham	3	4

The Board remains committed to the development of the trust and recognises it is now too small to effectively manage the changes especially when combined with the work commitments of some of the Trustees. It will therefore actively seek additional Trustees with the skill sets in businesses that are required to compliment the work of the Board.

Where possible Trustees play a full role in the life of the trust and carry out regular visits to view the practice in their particular field of expertise. Details of the visits are recorded.

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**GOVERNANCE STATEMENT (continued)**

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The Finance and Audit Committee is a sub-committee of the main board of Trustees. It is responsible for the detailed consideration as to the best means of fulfilling the trust's responsibility to ensure sound management of the trust finances and resources, including proper planning, monitoring, scrutiny and probity; and also to ensure the trust is meeting all its obligations for internal and external audit procedures. The committee has formally met 5 times during the period.

Attendance at meetings in the year was as follows:

Sub-committee member	Meetings attended	Out of a possible
R J Helleur	5	5
C E Flintoff	5	5
R I Dediccoat, Staff Trustee	1	2
E Casey	4	5
B D Gostling	4	5
S Burnham (local governing body specialist)	4	5
P Mutumburi (local governing body specialist)	5	5

**REVIEW OF VALUE FOR MONEY**

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

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

- Ensuring that staff expertise is shared across the trust's schools to impact on improved outcomes in each. Raise Online data for all the schools overall shows progress measures have improved or are close to national norms in all cases.
- The trust has built a database of all services and contracts in its schools and has ensured the same supplier for many services in all schools. This aids efficiency and has created cost savings in a number of large contracts, for instance, a saving of 8% in catering services across the three schools. By operating in this manner it also ensures no school can take a contract that would be outside EFA regulations.
- The board of Trustees has been quick to hold the Executive Principal and each school to account for pupils progress, safeguarding and effective use of all resources. The trustees receive detailed information regarding each school on a half termly basis. If, for instance, the trustees note potential difficulties in the budget setting by any school they quickly hold the Local Governing Body to account and provide support as required.

**THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Ipswich Primary Academies Trust for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.



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**GOVERNANCE STATEMENT (continued)**

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**CAPACITY TO HANDLE RISK**

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

**THE RISK AND CONTROL FRAMEWORK**

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees;
- regular reviews by the board of Trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- 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 MA Partners LLP, the external auditors, to perform additional checks.


**REVIEW OF EFFECTIVENESS**

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

- the work of the external auditors;
- the work of the executive managers within the trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the board of Trustees 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 8 December 2016 and signed on their behalf, by:

  
.....  
**Professor J H West-Burnham**  
Chair of Trustees

  
.....  
**C E Flintoff**  
Accounting Officer

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**IPSWICH PRIMARY ACADEMIES TRUST**  
(A company limited by guarantee)

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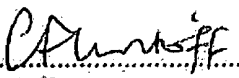
**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

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As Accounting Officer of Ipswich Primary Academies Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the 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 2015.

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

  
.....  
**C E Flintoff**  
Accounting Officer

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**IPSWICH PRIMARY ACADEMIES TRUST**  
(A company limited by guarantee)

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**STATEMENT OF TRUSTEES' RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

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The Trustees (who act as governors of Ipswich Primary Academies Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees on 22 December 2016 and signed on its behalf by:

  
.....  
**Professor J H West-Burnham**  
**Chair of Trustees**

---

**IPSWICH PRIMARY ACADEMIES TRUST**  
(A company limited by guarantee)

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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
IPSWICH PRIMARY ACADEMIES TRUST**

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We have audited the financial statements of Ipswich Primary Academies Trust for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS**

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

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

**SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS**

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

**OPINION ON FINANCIAL STATEMENTS**

In our opinion the financial statements:

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

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**IPSWICH PRIMARY ACADEMIES TRUST**  
(A company limited by guarantee)

---

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF  
IPSWICH PRIMARY ACADEMIES TRUST**

---

**OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006**

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

**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.

*MA Partners LLP*

Frank Shippam BSc FCA DChA (Senior statutory auditor)

for and on behalf of

**MA Partners LLP**

Chartered Accountants and Statutory Auditors

7 The Close

Norwich

Norfolk

NR1 4DJ

Date: *23 DECEMBER 2016*

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**IPSWICH PRIMARY ACADEMIES TRUST**  
(A company limited by guarantee)

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**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO IPSWICH  
PRIMARY ACADEMIES TRUST AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 20 February 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Ipswich Primary Academies Trust during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Ipswich Primary Academies Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Ipswich Primary Academies 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 Ipswich Primary Academies Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF IPSWICH PRIMARY ACADEMIES TRUST'S ACCOUNTING OFFICER  
AND THE REPORTING AUDITORS**

The accounting officer is responsible, under the requirements of Ipswich Primary Academies Trust's funding agreement with the Secretary of State for Education dated 27 February 2015, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

**APPROACH**

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

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

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

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

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**IPSWICH PRIMARY ACADEMIES TRUST**  
(A company limited by guarantee)

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**INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO IPSWICH  
PRIMARY ACADEMIES TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

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Our work included:

- a review of minutes of committees and board meetings which may be relevant to regularity;
- a review of the design and operational effectiveness of policies and procedures relating to areas assessed as presenting a higher risk of impropriety;
- substantive testing of individual transactions.

Where applicable, this work was integrated with our audit on the financial statements to the extent evidence from the conduct of the audit supports the regularity conclusion.

**CONCLUSION**

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



**MA Partners LLP**

Chartered Accountants and Statutory Auditors

7 The Close  
Norwich  
Norfolk  
NR1 4DJ

Date: 23 DECEMBER 2016

**IPSWICH PRIMARY ACADEMIES TRUST**  
(A company limited by guarantee)

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

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>INCOME FROM:</b>						
Donations & capital grants:						
Transfer from local authority on conversion	2	-	-	-	-	6,247,367
Other donations and capital grants	2	3,349	-	469,700	473,049	-
Charitable activities	3	148,744	5,944,988	-	6,093,732	3,050,266
Other trading activities	4	40,541	-	-	40,541	14,284
Investments	5	6,142	-	-	6,142	807
<b>TOTAL INCOME</b>		<b>198,776</b>	<b>5,944,988</b>	<b>469,700</b>	<b>6,613,464</b>	<b>9,312,724</b>
<b>EXPENDITURE ON:</b>						
Charitable activities		-	6,530,174	159,052	6,689,226	2,966,115
<b>TOTAL EXPENDITURE</b>	8	<b>-</b>	<b>6,530,174</b>	<b>159,052</b>	<b>6,689,226</b>	<b>2,966,115</b>
<b>NET INCOME / (EXPENDITURE) BEFORE TRANSFERS</b>						
Transfers between Funds	20	198,776 (550,235)	(585,186) 429,444	310,648 120,791	(75,762) -	6,346,609 -
<b>NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES</b>						
		(351,459)	(155,742)	431,439	(75,762)	6,346,609
Actuarial gains/(losses) on defined benefit pension schemes	24	-	(679,000)	-	(679,000)	10,000
<b>NET MOVEMENT IN FUNDS</b>		<b>(351,459)</b>	<b>(834,742)</b>	<b>431,439</b>	<b>(754,762)</b>	<b>6,356,609</b>
<b>RECONCILIATION OF FUNDS:</b>						
Total funds brought forward		360,335	(1,104,538)	7,100,812	6,356,609	-
<b>TOTAL FUNDS CARRIED FORWARD</b>		<b>8,876</b>	<b>(1,939,280)</b>	<b>7,532,251</b>	<b>5,601,847</b>	<b>6,356,609</b>



**IPSWICH PRIMARY ACADEMIES TRUST**  
**(A company limited by guarantee)**  
**REGISTERED NUMBER: 09434926**

**BALANCE SHEET**  
**AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
<b>FIXED ASSETS</b>					
Tangible assets	15		7,423,433		7,100,812
<b>CURRENT ASSETS</b>					
Stocks	16	6,703		6,131	
Debtors	17	332,929		253,393	
Cash at bank and in hand		636,048		738,299	
			<u>975,680</u>	<u>997,823</u>	
<b>CREDITORS:</b> amounts falling due within one year	18	(827,895)		(488,383)	
<b>NET CURRENT ASSETS</b>			<u>147,785</u>		<u>509,440</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>7,571,218</u>		<u>7,610,252</u>
<b>CREDITORS:</b> amounts falling due after more than one year	19		<u>(29,371)</u>		<u>(33,643)</u>
<b>NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES</b>			<u>7,541,847</u>		<u>7,576,609</u>
Defined benefit pension scheme liability	24		<u>(1,940,000)</u>		<u>(1,220,000)</u>
<b>NET ASSETS INCLUDING PENSION SCHEME LIABILITIES</b>			<u>5,601,847</u>		<u>6,356,609</u>
<b>FUNDS OF THE ACADEMY</b>					
Restricted income funds:					
Restricted income funds	20	720		115,462	
Restricted fixed asset funds	20	7,532,251		7,100,812	
Restricted income funds excluding pension liability			<u>7,532,971</u>	<u>7,216,274</u>	
Pension reserve			<u>(1,940,000)</u>	<u>(1,220,000)</u>	
Total restricted income funds			<u>5,592,971</u>		<u>5,996,274</u>
Unrestricted income funds	20		<u>8,876</u>		<u>360,335</u>
<b>TOTAL FUNDS</b>			<u>5,601,847</u>		<u>6,356,609</u>

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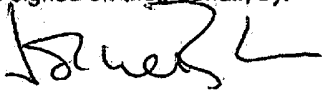
**IPSWICH PRIMARY ACADEMIES TRUST**  
(A company limited by guarantee)

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**BALANCE SHEET (continued)**  
**AS AT 31 AUGUST 2016**

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The financial statements were approved by the Trustees, and authorised for issue, on 22 December 2016 and are signed on their behalf, by:



**Chair of Trustees**

The notes on pages 26 to 49 form part of these financial statements.

**IPSWICH PRIMARY ACADEMIES TRUST**  
(A company limited by guarantee)

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	2016 £	2015 £
<b>Cash flows from operating activities</b>			
Net cash (used in)/provided by operating activities	22	<u>(92,148)</u>	<u>366,491</u>
<b>Cash flows from investing activities:</b>			
Dividends, interest and rents from investments		6,142	807
Purchase of tangible fixed assets		(481,673)	(166,943)
Capital grants from DfE/EFA		469,700	-
Cash transferred on conversion to an academy trust		-	496,537
<b>Net cash (used in)/provided by investing activities</b>		<u>(5,831)</u>	<u>330,401</u>
<b>Cash flows from financing activities:</b>			
Repayments of borrowings		(4,272)	(7,763)
Cash inflows from new borrowing		-	49,170
<b>Net cash (used in)/provided by financing activities</b>		<u>(4,272)</u>	<u>41,407</u>
<b>Change in cash and cash equivalents in the year</b>		<u>(102,251)</u>	<u>738,299</u>
Cash and cash equivalents brought forward		738,299	-
<b>Cash and cash equivalents carried forward</b>	23	<u><u>636,048</u></u>	<u><u>738,299</u></u>

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**IPSWICH PRIMARY ACADEMIES TRUST**  
(A company limited by guarantee)

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

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

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

Ipswich Primary Academies Trust constitutes a public benefit entity as defined by FRS 102.

**1.2 Company status**

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

**1.3 Fund accounting**

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

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

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

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**IPSWICH PRIMARY ACADEMIES TRUST**  
**(A company limited by guarantee)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.4 Income**

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

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

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

Sponsorship income provided to the trust which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where there is certainty of receipt and it is measurable.

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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

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

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**IPSWICH PRIMARY ACADEMIES TRUST**  
(A company limited by guarantee)

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

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**1. ACCOUNTING POLICIES (continued)**

**1.5 Expenditure**

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.6 Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.7 Tangible fixed assets and depreciation**

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Leasehold land	-	Over lease term
Leasehold buildings	-	2% Straight line
Fixtures and fittings	-	20% Straight line
Computer equipment	-	33% Straight line

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**IPSWICH PRIMARY ACADEMIES TRUST**  
**(A company limited by guarantee)**

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

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**1. ACCOUNTING POLICIES (continued)**

The Trust is party to lease agreements with Suffolk County Council for the school properties at St Helen's Primary School, Whitton Community Primary School and The Oaks Community Primary School. The leases are for a period of 125 years and substantially all the risks and rewards of ownership have been transferred to the Trust. As such, the school properties have been recognised as a fixed asset on the Balance Sheet at a depreciated replacement cost of £7,000,000. The corresponding entry has been recognised as voluntary income in the Statement of Financial Activities. The governors' estimate of depreciated replacement cost is based upon desktop valuations carried out by MRBL Limited trading as Mouchel on behalf of the EFA.

**1.8 Interest receivable**

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

**1.9 Stocks**

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

**1.10 Debtors**

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

**1.11 Cash at Bank and in hand**

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

**1.12 Liabilities and provisions**

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

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**IPSWICH PRIMARY ACADEMIES TRUST**  
**(A company limited by guarantee)**

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

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**1. ACCOUNTING POLICIES (continued)**

**1.13 Taxation**

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

**1.14 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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



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

**1. ACCOUNTING POLICIES (continued)**

**1.15 Critical accounting estimates and areas of judgement**

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

**2. INCOME FROM DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Transfer from local authority on conversion	-	-	-	-	6,247,367
Donations	3,349	-	-	3,349	-
Capital Grants	-	-	469,700	469,700	-
Total donations and capital grants	3,349	-	469,700	473,049	6,247,367

In 2015, of the total income from donations and capital grants, £447,367 was to unrestricted funds and £5,800,000 was to restricted funds

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**3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
<b>DfE/EFA grants</b>				
General Annual Grant (GAG)	-	4,714,203	4,714,203	2,338,440
Pupil Premium	-	602,640	602,640	253,550
Start Up Grants	-	-	-	138,980
PE and Sports grant	-	28,745	28,745	11,885
Universal Infant Free School Meals	-	109,906	109,906	49,706
SCITT/SDS funding	-	66,096	66,096	-
Devolved Formula Capital	-	25,284	25,284	24,698
	-	5,546,874	5,546,874	2,817,259
<b>Other government grants</b>				
Nursery funding	-	336,229	336,229	149,825
SEN funding	-	53,023	53,023	12,083
Other LA funding	-	8,862	8,862	6,209
	-	398,114	398,114	168,117
<b>Other income from the academy trust's educational operations</b>				
Catering	70,604	-	70,604	27,351
Clubs	41,678	-	41,678	19,128
Trips	36,462	-	36,462	18,411
	148,744	-	148,744	64,890
	148,744	5,944,988	6,093,732	3,050,266

In 2015, of the total income from charitable activities, £64,890 was to unrestricted funds and £2,985,376 was to restricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**4. OTHER TRADING ACTIVITIES**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Hire of facilities	8,283	-	8,283	3,765
Sales of goods and services	13,399	-	13,399	6,550
Other income	18,859	-	18,859	3,969
	<u>40,541</u>	<u>-</u>	<u>40,541</u>	<u>14,284</u>

In 2015, of the total income from other trading activities, £14,284 was to unrestricted funds and £ NIL was to restricted funds.

**5. INVESTMENT INCOME**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest	6,142	-	6,142	807
	<u>6,142</u>	<u>-</u>	<u>6,142</u>	<u>807</u>

In 2015, of the total investment income, £ 807 was to unrestricted funds and £ NIL was to restricted funds.

**6. DIRECT COSTS**

	Total 2016 £	Total 2015 £
Technology costs	49,562	16,565
Educational supplies	159,538	101,990
Staff development	63,641	11,848
Educational consultancy	47,625	10,240
Other direct costs	82,592	7,512
Educational visits	57,617	38,300
Educational services	68,313	27,438
Agency supply staff	15,106	15,058
Wages and salaries	3,819,399	1,682,356
National insurance	254,881	94,542
Pension cost	666,688	256,637
	<u>5,284,962</u>	<u>2,262,486</u>

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

**7. SUPPORT COSTS**

	<b>Total 2016 £</b>	<b>Total 2015 £</b>
FRS 102 Pension interest	46,000	20,000
Technology costs	39,951	44,201
Recruitment and support	24,661	4,990
Maintenance of premises and equipment	92,523	91,260
Cleaning	28,397	15,142
Rent and rates	27,677	18,455
Energy costs	71,917	10,970
Insurance	28,600	14,073
Security and transport	11,038	5,431
Catering	269,605	102,349
Other support costs	63,582	15,433
Professional services	102,292	57,932
Marketing	32,056	5,573
Governance	17,662	21,217
Wages and salaries	313,142	157,421
National insurance	17,114	7,454
Pension cost	58,995	45,597
Depreciation	159,052	66,131
	<u><b>1,404,264</b></u>	<u><b>703,629</b></u>

**8. EXPENDITURE**

	<b>Staff costs 2016 £</b>	<b>Premises 2016 £</b>	<b>Other costs 2016 £</b>	<b>Total 2016 £</b>	<b>Total 2015 £</b>
Activities:					
Direct costs	4,740,968	-	543,994	5,284,962	2,262,486
Support costs	389,251	337,796	677,217	1,404,264	703,629
	<u><b>5,130,219</b></u>	<u><b>337,796</b></u>	<u><b>1,221,211</b></u>	<u><b>6,689,226</b></u>	<u><b>2,966,115</b></u>

In 2016, of the total expenditure, £NIL (2015 - £NIL) was to unrestricted funds and £6,689,226 (2015 - £2,966,115) was to restricted funds.

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

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**9. NET INCOMING RESOURCES/(RESOURCES EXPENDED)**

This is stated after charging:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets:		
- owned by the charity	<b>159,052</b>	<b>66,131</b>
Auditors' remuneration - audit	<b>6,475</b>	<b>6,300</b>
Auditors' remuneration - other services	<b>5,212</b>	<b>4,525</b>
Governance Internal audit costs	<b>900</b>	<b>900</b>
Operating lease rentals	<b>13,330</b>	<b>2,606</b>
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**IPSWICH PRIMARY ACADEMIES TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

**10. STAFF COSTS**

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	4,132,541	1,839,778
Social security costs	271,995	101,996
Operating costs of defined benefit pension schemes	725,683	302,233
	<u>5,130,219</u>	<u>2,244,007</u>

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

	2016 No.	2015 No.
Teachers	91	87
Administration and support	153	141
Management	8	6
	<u>252</u>	<u>234</u>

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

	2016 No.	2015 No.
In the band £70,001 - £80,000	2	0
In the band £90,001 - £100,000	1	0

The above employees participated in the Teachers' Pension Scheme.

The key management personnel of the academy trust comprise the trustees and senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was **£370,608 (2015: £186,288)**.

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**NOTES TO THE FINANCIAL STATEMENTS  
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**11. CENTRAL SERVICES**

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

- human resources
- legal services
- financial services
- educational support services

The trust charges for these services on the following basis:

5% of GAG income.

The actual amounts charged during the year were as follows:

	2016 £	2015 £
St Helen's Primary School	76,307	37,881
Whitton Community Primary School	66,767	32,172
The Oaks Community Primary School	86,303	44,070
Total	<u>229,377</u>	<u>114,123</u>

**12. TRUSTEES' REMUNERATION AND EXPENSES**

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

		2016 £	2015 £
R I Dedicoat (staff trustee) (Resigned 31.12.2015)	Remuneration	15,000-20,000	25,000-30,000
	Pension contributions paid	0-5,000	0-5,000
C E Flintoff (staff trustee)	Remuneration	75,000-80,000	25,000-30,000
	Pension contributions paid	10,000-15,000	0-5,000
J J Pentreath (staff trustee)	Remuneration	60,000-65,000	30,000-35,000
	Pension contributions paid	10,000-15,000	0-5,000

During the year ended 31 August 2016, expenses totalling £1,670 (2015 - £794) were reimbursed to 2 Trustees (2015 - 3).

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**NOTES TO THE FINANCIAL STATEMENTS  
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**13. TRUSTEES' AND OFFICERS' INSURANCE**

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

**14. FRS 102 PENSION INTEREST**

	2016 £	2015 £
Interest income on pension scheme assets	48,000	18,000
Interest on pension scheme liabilities	(94,000)	(38,000)
	<u>(46,000)</u>	<u>(20,000)</u>

**15. TANGIBLE FIXED ASSETS**

	Long-term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>				
At 1 September 2015	7,000,000	136,326	30,617	7,166,943
Additions	441,312	27,753	12,608	481,673
At 31 August 2016	<u>7,441,312</u>	<u>164,079</u>	<u>43,225</u>	<u>7,648,616</u>
<b>Depreciation</b>				
At 1 September 2015	59,812	690	5,629	66,131
Charge for the year	119,648	30,076	9,328	159,052
At 31 August 2016	<u>179,460</u>	<u>30,766</u>	<u>14,957</u>	<u>225,183</u>
<b>Net book value</b>				
At 31 August 2016	<u>7,261,852</u>	<u>133,313</u>	<u>28,268</u>	<u>7,423,433</u>
At 31 August 2015	<u>6,940,188</u>	<u>135,636</u>	<u>24,988</u>	<u>7,100,812</u>

**16. STOCKS**

	2016 £	2015 £
Uniform	<u>6,703</u>	<u>6,131</u>



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

**17. DEBTORS**

	2016 £	2015 £
Trade debtors	4,659	-
VAT recoverable	98,918	99,819
Other debtors	2,314	-
Prepayments and accrued income	227,038	153,574
	<u>332,929</u>	<u>253,393</u>

**18. CREDITORS: Amounts falling due within one year**

	2016 £	2015 £
Other loans	7,764	7,764
Trade creditors	565,120	240,133
Other taxation and social security	78,741	58,657
Other creditors	90,364	72,650
Accruals and deferred income	85,906	109,179
	<u>827,895</u>	<u>488,383</u>

	2016 £	2015 £
<b>Deferred income</b>		
Deferred income at 1 September 2015	73,237	-
Resources deferred during the year	73,480	73,237
Amounts released from previous years	(73,237)	-
Deferred income at 31 August 2016	<u>73,480</u>	<u>73,237</u>

Income has been deferred in relation to Universal Infant Free School Meals and contributions received for trips that have not yet taken place.

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**IPSWICH PRIMARY ACADEMIES TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 AUGUST 2016**

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**19. CREDITORS:**

Amounts falling due after more than one year

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Other loans	<b>29,371</b>	<b>33,643</b>
	<u><u>          </u></u>	<u><u>          </u></u>

Included within the above are amounts falling due as follows:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Between one and two years</b>		
Other loans	<b>7,764</b>	<b>7,764</b>
	<u><u>          </u></u>	<u><u>          </u></u>
<b>Between two and five years</b>		
Other loans	<b>21,608</b>	<b>23,291</b>
	<u><u>          </u></u>	<u><u>          </u></u>
<b>Over five years</b>		
Other loans	<b>-</b>	<b>2,588</b>
	<u><u>          </u></u>	<u><u>          </u></u>

Creditors include amounts not wholly repayable within 5 years as follows:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Repayable by instalments	<b>-</b>	<b>2,588</b>
	<u><u>          </u></u>	<u><u>          </u></u>

The loan balances were transferred to the Trust from St Helen's Primary School and Whitton Community Primary School on conversion.

**IPSWICH PRIMARY ACADEMIES TRUST**  
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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. STATEMENT OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General funds	360,335	198,776	-	(550,235)	-	8,876
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	4,714,203	(4,819,647)	105,444	-	-
Pupil Premium	-	602,640	(602,640)	-	-	-
Devolved Formula Capital	-	25,284	(25,284)	-	-	-
PE and Sports grant	-	28,745	(28,745)	-	-	-
Universal Infant Free School Meals	-	109,906	(109,906)	-	-	-
Start Up grants	40,925	-	(40,205)	-	-	720
Nursery funding	74,537	336,229	(410,766)	-	-	-
SEN and other LA funding	-	61,885	(61,885)	-	-	-
SDS funding	-	66,096	(66,096)	-	-	-
Pension reserve	(1,220,000)	-	(365,000)	324,000	(679,000)	(1,940,000)
	<u>(1,104,538)</u>	<u>5,944,988</u>	<u>(6,530,174)</u>	<u>429,444</u>	<u>(679,000)</u>	<u>(1,939,280)</u>
<b>Restricted fixed asset funds</b>						
Capital expenditure from GAG	160,624	-	(39,428)	123,538	-	244,734
Assets transferred on conversion	6,940,188	-	(119,624)	-	-	6,820,564
Condition Improvement Fund	-	469,700	-	(2,747)	-	466,953
	<u>7,100,812</u>	<u>469,700</u>	<u>(159,052)</u>	<u>120,791</u>	<u>-</u>	<u>7,532,251</u>
Total restricted funds	<u>5,996,274</u>	<u>6,414,688</u>	<u>(6,689,226)</u>	<u>550,235</u>	<u>(679,000)</u>	<u>5,592,971</u>
Total of funds	<u><u>6,356,609</u></u>	<u><u>6,613,464</u></u>	<u><u>(6,689,226)</u></u>	<u><u>-</u></u>	<u><u>(679,000)</u></u>	<u><u>5,601,847</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS**  
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**20. STATEMENT OF FUNDS (continued)**

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

The General Annual Grant (GAG) is for the normal running costs of the schools within the Trust. The following transfers have been made from the GAG: £324,000 to restricted pension reserve representing the cost of employer contributions towards the Local Government Pension Scheme and £123,538 representing fixed asset additions from GAG funding. £2,747 was transferred from the Condition Improvement Fund in relation to revenue expenditure incurred from this fund and £550,235 was transferred from unrestricted reserves to clear the GAG deficit arising.

The Pupil Premium income has been provided by the EFA to help raise the attainment of disadvantaged pupils.

The Devolved Formula Capital fund relates to funding for the cost of minor capital works and ICT replacement.

The PE and Sports grant represents funding received towards the cost of improving PE provision.

Funding was received from the EFA to assist with the provision of Universal Infant Free School Meals.

Start up grants were received from the EFA as a contribution towards the additional costs incurred during the academy conversion process.

The Nursery funding has been received from the Local Authority to provide Early Years facilities.

The SEN funding is to provide additional educational support to those pupils with special educational needs.

The Pension reserve deficit at the period end was £1,940,000 and represents the Trust's share of the deficit of the Local Government Pension Scheme.

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

**ANALYSIS OF ACADEMIES BY FUND BALANCE**

Fund balances at 31 August 2016 were allocated as follows:

	<b>Total 2016 £</b>	<b>Total 2015 £</b>
St Helen's Primary School	(39,227)	81,104
Whitton Community Primary School	144,250	246,591
The Oaks Community Primary School	(87,682)	17,482
Central services	(7,745)	130,620
Total before fixed asset fund and pension reserve	<u>9,596</u>	<u>475,797</u>
Restricted fixed asset fund	7,532,251	7,100,812
Pension reserve	(1,940,000)	(1,220,000)
Total	<u><u>5,601,847</u></u>	<u><u>6,356,609</u></u>

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**20. STATEMENT OF FUNDS (continued)**

The following academies are carrying net deficits on their portion of the funds as follows:

Name of academy	Amount of deficit £
St Helen's Primary School	(39,227)
The Oaks Community Primary School	(87,682)

Both schools incurred deficits from having no business managers in place for significant parts of the financial year and having a lack of analysis and reporting as a result. The Oaks deficit also included historic expenditure that came to light after budgets had been prepared.

The trust is taking the following action to return the academies to surplus:

All schools now have competent business managers in place. Each school has implemented a plan over the next three financial years to turn the deficits into surpluses and to meet the trust reserves policy.

The Trust has appointed a dedicated and qualified Chief Finance Officer in November 2016 and introduced a structured and robust approach to financial reporting and management in schools.

**ANALYSIS OF ACADEMIES BY COST**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2016 £	Total 2015 £
St Helen's Primary School	982,256	740,497	37,761	296,015	2,056,529	983,507
Whitton Community Primary School	832,272	576,562	55,520	300,161	1,764,515	815,636
The Oaks Community Primary School	1,342,048	554,257	61,893	328,990	2,287,188	1,062,271
Central services	110,120	(7,793)	4,364	315,251	421,942	38,570
	<u>3,266,696</u>	<u>1,863,523</u>	<u>159,538</u>	<u>1,240,417</u>	<u>6,530,174</u>	<u>2,899,984</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**20. STATEMENT OF FUNDS**

**SUMMARY OF FUNDS**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	360,335	198,776	-	(550,235)	-	8,876
Restricted funds	(1,104,538)	5,944,988	(6,530,174)	429,444	(679,000)	(1,939,280)
Restricted fixed asset funds	7,100,812	469,700	(159,052)	120,791	-	7,532,251
	<u>6,356,609</u>	<u>6,613,464</u>	<u>(6,689,226)</u>	<u>-</u>	<u>(679,000)</u>	<u>5,601,847</u>

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

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	7,423,432	7,423,432	7,100,812
Current assets	8,876	857,985	108,819	975,680	997,824
Creditors due within one year	-	(827,894)	-	(827,894)	(488,384)
Creditors due in more than one year	-	(29,371)	-	(29,371)	(33,643)
Provisions for liabilities and charges	-	(1,940,000)	-	(1,940,000)	(1,220,000)
	<u>8,876</u>	<u>(1,939,280)</u>	<u>7,532,251</u>	<u>5,601,847</u>	<u>6,356,609</u>

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**NOTES TO THE FINANCIAL STATEMENTS  
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**22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW  
FROM OPERATING ACTIVITIES**

	2016 £	2015 £
Net (expenditure)/income for the year (as per Statement of financial activities)	(75,762)	6,346,609
<b>Adjustment for:</b>		
Depreciation charges	159,052	66,131
Dividends, interest and rents from investments	(6,142)	(807)
Increase in stocks	(572)	(6,131)
Increase in debtors	(79,536)	(253,393)
Increase in creditors	339,512	480,619
Capital grants from DfE and other capital income	(469,700)	-
Defined benefit pension scheme cost less contributions payable	(5,000)	10,000
Defined benefit pension scheme finance cost	46,000	20,000
Net (loss) on assets and liabilities from local authority on conversion	-	(6,296,537)
<b>Net cash (used in)/provided by operating activities</b>	<b>(92,148)</b>	<b>366,491</b>

**23. ANALYSIS OF CASH AND CASH EQUIVALENTS**

	2016 £	2015 £
Cash in hand	636,048	738,299
<b>Total</b>	<b>636,048</b>	<b>738,299</b>

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**IPSWICH PRIMARY ACADEMIES TRUST**  
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**24. PENSION COMMITMENTS**

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

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

Contributions amounting to £85,023 were payable to the schemes at 31 August 2016 (2015 - 69,359) and are included within creditors.

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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

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

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

The employer's pension costs paid to TPS in the period amounted to £407,000 (2015 - £157,000).



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**24. PENSION COMMITMENTS (continued)**

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £392,000 (2015 - £166,000), of which employer's contributions totalled £324,000 (2015 - £136,000) and employees' contributions totalled £68,000 (2015 - £30,000). The agreed contribution rates for future years are 28% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions:

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

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

	<b>2016</b>	<b>2015</b>
Retiring today		
Males	<b>22.4 years</b>	22.4 years
Females	<b>24.4 years</b>	24.4 years
Retiring in 20 years		
Males	<b>24.3 years</b>	24.3 years
Females	<b>26.9 years</b>	26.9 years

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**24. PENSION COMMITMENTS (continued)**

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	1,158,000	714,000
Debt instruments	336,000	224,000
Property	168,000	118,000
Cash	16,000	10,000
Total market value of assets	<u>1,678,000</u>	<u>1,066,000</u>

The actual return on scheme assets was £220,000 (2015 - £26,000 deficit).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(319,000)	(146,000)
Net interest cost	(46,000)	(20,000)
Total	<u>(365,000)</u>	<u>(166,000)</u>

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

	2016 £	2015 £
Opening defined benefit obligation	2,286,000	-
Upon conversion	-	2,126,000
Current service cost	319,000	146,000
Interest cost	94,000	38,000
Contributions by employees	68,000	30,000
Actuarial losses/(gains)	851,000	(54,000)
Closing defined benefit obligation	<u>3,618,000</u>	<u>2,286,000</u>

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**24. PENSION COMMITMENTS (continued)**

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

	2016 £	2015 £
Opening fair value of scheme assets	1,066,000	-
Upon conversion	-	926,000
Return on plan assets (excluding net interest on the net defined pension liability)	48,000	18,000
Actuarial gains and (losses)	172,000	(44,000)
Contributions by employer	324,000	136,000
Contributions by employees	68,000	30,000
	<u>1,678,000</u>	<u>1,066,000</u>
Closing fair value of scheme assets	<u>1,678,000</u>	<u>1,066,000</u>

**25. OPERATING LEASE COMMITMENTS**

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

	2016 £	2015 £
<b>Amounts payable:</b>		
Within 1 year	10,501	8,586
Between 1 and 5 years	14,224	14,938
	<u>24,725</u>	<u>23,524</u>
Total	<u>24,725</u>	<u>23,524</u>

**26. RELATED PARTY TRANSACTIONS**

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

**27. AGENCY ARRANGEMENTS**

The academy trust distributes School Direct (Salaried) funding as an agent for the Department for Education (DfE). In the accounting period ending 31 August 2016 the trust received £182,000 and disbursed £182,000 from the fund. No amounts were held at the period end.