

Registration number: 09795288

BRITE Trust

(A company limited by guarantee)

Annual Report and Financial Statements

for the period from 25 September 2015 to 31 August 2016



HALLIDAYS
MORE THAN JUST ACCOUNTANTS

Hallidays
Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

BRITE Trust

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BRITE Trust

Reference and Administrative Details

Members	M Johnson (appointed 25 September 2015) L Culf (appointed 25 September 2015) A Jordan (appointed 25 September 2015) P Moore (appointed 25 September 2015)
Trustees (Directors)	B Dawson (appointed 25 September 2015) D Lampard (appointed 25 September 2015) M Peak (appointed 4 July 2016) S Rudd (Accounting officer) (appointed 25 September 2015) D Thomas (appointed 4 July 2016) A Wild (appointed 25 September 2015) B Harrop (appointed 25 September 2015 and resigned 27 May 2016) J Mckie (appointed 25 September 2015 and resigned 27 May 2016)
Senior Management Team	S Tait, Assistant Headteacher F Kordemir, Head of EYFS/KS1 R Perry, Head of KS2 S Rudd, Executive Headteacher S Saunders, Assistant Headteacher J Hargreaves, Assistant Headteacher E Bolton, Assistant Headteacher D Harris, Business Manager
Principal and Registered Office	Newall Green Primary School Firbank Road Newall Green, Wythenshawe Manchester M23 2YH
Company Registration Number	09795288
Auditors	Hallidays Riverside House Kings Reach Business Park Yew Street Stockport SK4 2HD
Bankers	Lloyds bank 52-56 Market St Manchester M1 1PW

BRITE Trust

Reference and Administrative Details (continued)

Solicitors

Browne Jacobson
5th Floor, Tower 12
18-22 Bridge Street
Spinning Fields
Manchester
M3 3BZ

BRITE Trust

Trustees' Report for the period from 25 September 2015 to 31 August 2016

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 25 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates 1 primary school in Wythenshawe called Newall Green Primary School. The school's pupil capacity of 765 and had a roll of 713 in the school census on 6th October 2016.

Discussion on conversion to academy trust

On 1 November 2015 Newall Green Primary School converted to academy trust status under the Academies Act 2010 and all the operations assets and liabilities were transferred to BRITE Trust from Manchester City Council Local Authority for £Nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised in the Statement of Financial Activities.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of BRITE Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as BRITE Trust. The company registration number is: 09795288

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 1 and 2.

Members' liability

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

Trustees' indemnities

Under the Companies Act 2006 s236 the directors confirm there are no third party indemnity provisions in operation.

Principle activities

- The Trust will establish schools that become the heart of the community. Developing pupils by embracing the whole family and supporting parents to support their child on their educational journey.
- The admissions policy and arrangements for the school within the trust will be in accordance with the admissions law, and the DfE code of practice as they apply to maintained schools.
- There is no charge in respect to admission to the school and the school will only charge pupil where the law allows maintained schools to charge.

BRITE Trust

Trustees' Report for the period from 25 September 2015 to 31 August 2016 (continued)

Method of recruitment and appointment or election of Trustees

The trustees are directors of the charitable company for the purpose of the Companies Act 2016 and trustees for the purposes of charity legislation.

Trustees serve in office for a period 4 years

1x CEO – serving Head Teacher

5 x Executive directors appointed by the BRITE trust Members

Local Governing Body which has a constitution of:

1 x Community Governor

6 x Appointed Governor

2 x Staff Governor

2 x Parent Governor

Strict regulations are followed for the recruiting of new trustees to the BRITE Board or Governors to the LGB.

- Education Act 2012
- School Standards and Framework Act 1998
- Criminal Justice and Court Services Act 2000
- School Governance Regulations 2007
- Circular 7/87 Annex 9 Conduct of Trustee Elections
- Governing Body Constitutional Regulations 2012

During the period under review the Board of Trustees met 4 times

The LGB met 4 times

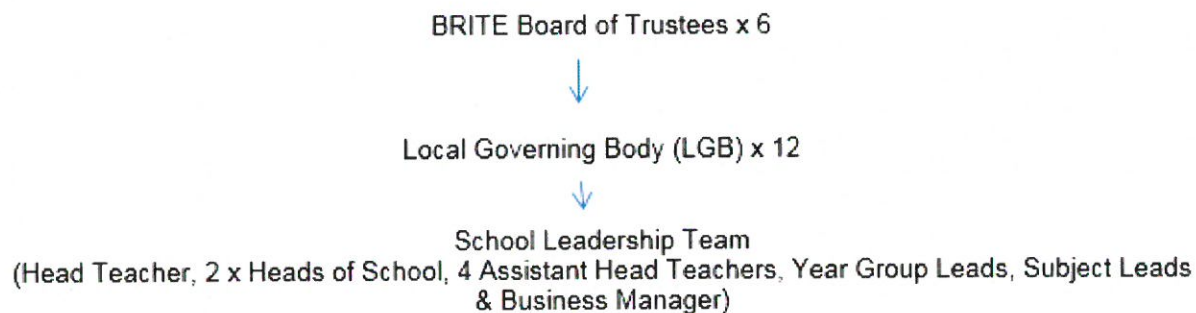
The Finance and Pay Committee met 3 times

Policies and procedures adopted for the induction and training of Trustees

Training and induction is provided for all new Trustees and Governors. This is set out in the Trustees & Governors handbook. Where gaps in skill sets occur training from One Education to cover Legislation, Policy, Legal & Financial matters are purchased. Annual training on Child Protection is undertaken by the Trustees & Governors.

All Trustees and Governors declare annually any Pecuniary Interests and at any meetings if any matters arise in which they have any pecuniary interest.

Organisational Structure



BRITE Trust

Trustees' Report for the period from 25 September 2015 to 31 August 2016 (continued)

Arrangements for setting pay and remuneration of key management personnel

The pay and remuneration for the academy's key personnel is made in line with the teachers' pay terms and conditions. The head teacher's salary is graded on the size of the school as set out in the DfE guidance. This is reviewed within the Performance management process overseen by an external body (Quality Assurance Officer to school undertakes this role.)

Pay scales are set for each member of the senior Leadership Team (SLT) and movement from one point to the next is dependent upon the completion of the targets set as part of the performance management review. The review of the Heads of school takes place with 2 BRITE trust trustees as does the Head Teacher's.

SLT members are reviewed by the Head teacher & Heads of school then recommendations are made to the Local Governing Body as part of the performance management Process.

Related Parties and other Connected Charities and Organisations

Transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted in accordance with the Academy financial regulations and procurement procedures.

Objectives and activities

Objects and aims

The principle activity of the BRITE Trust is the operation of Newall Green Primary School to provide education to the pupils aged 2-11 and to expand the number of schools within the trust.

Each year the Trust outlines its objectives for the year in line with the Vision and the Mission

Our Vision -The vision of the BRITE Trust is to embrace a community of outstanding schools working collaboratively, drawing upon the strengths of each school to reach the best outcomes for children and families. A partnership of shared responsibility embedded in mutual support. We will ensure that each child is supported and nurtured so they can achieve personal success.

Our Mission -We will ensure our schools provide a balanced, innovative school curriculum that will meet the academic, cultural and pastoral needs of individuals from the diverse backgrounds of our community to prepare our pupils to grow and contribute to a changing world.

In order to achieve these goals the BRITE Trust recognises that Newall Green Primary School is a community which includes pupils, teaching staff, non-teaching staff, parents, Governors and Trustees. They work with the school to uphold the Mission statement:

'At Newall Green Primary School we want every child and family to work in a supportive, inclusive school so that they make outstanding progress from their individual starting point. Each child will develop their core skills through a curriculum which promotes Social, Moral, Spiritual and Cultural development using 'Peace Mala' and 'PATHs.' This will be embedded in a curriculum that holds outdoor learning central to its focus.'

BRITE Trust

Trustees' Report for the period from 25 September 2015 to 31 August 2016 (continued)

Public benefit

Newall Green Primary School has a key role in the community educating the children, employing local people, supporting families with Parent Support Officer and having links with the wider community. We support the local church, host the Toy library, run adult education courses and link with lead professionals such as Speech & Language service so they are able to provide local services for the community.

We provide opportunities for work experience for the students from Manchester College, Newall Green High School and Manchester Metropolitan University.

We use local tradesmen where possible in line with our best value policy.

Equal Opportunity Policy

The trustees recognise that equal opportunities should be an integral part of good practice within the work place. The BRITE Trust aims to establish equal opportunity in all areas of activity including creating a working environment in which the contribution and needs of all people are fully valued. Equal opportunities apply to all persons connected with the trust regardless of gender, race, religion or disability.

BRITE Trust

Trustees' Report for the period from 25 September 2015 to 31 August 2016 (continued)

Strategic Report

Achievements and performance

This was the first period that the academy was in operation. The former school had a year on year improving trend in the progress that the children make within the school. This was reflected in the performance of the academy's first period.

The schools last Ofsted was May 2012 and the judgement was 'Good.'

		Summer 2
Reception	Reading	72%
	Writing	73%
	Maths	76%
	GLD	71%
Year 2	Reading	72%
	Writing	58%
	Maths	78%
	RWM	55%
Year 6	Reading	63%
	Writing	77%
	Maths	72%
	RWM	54%
	GPS	69%

Key non-financial performance indicators

The absence for the academic year was 5.12% which was an improvement on the year before. During this academic year 1 permanent exclusion was made.

The Trust monitors the School Development Plan to ensure that the areas identified by Ofsted and also through rigorous Self Evaluation are developed to ensure improving opportunities for all pupils.

The key areas are attainment in Reading identified through Self – Evaluation, attainment in Writing & the attainment of the 'more able' children's progress identified in the last Ofsted report. We continue to build on the success that the SEN & disadvantaged children make in their progress from their low starting points.

Going concern

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

BRITE Trust

Trustees' Report for the period from 25 September 2015 to 31 August 2016 (continued)

Strategic Report

Financial review

The majority of the trust and academy 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 in the period ended 31 August 2016 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The trust also received grants from the EFA and other organisations. In accordance with the Charities Statement of Recommended Practice, 'Accounting and Reporting by Charities' (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the restricted general fund and fixed asset fund. The restricted fixed asset fund balance is reduced by depreciation charges over the expected useful life of the assets concerned.

During the period ended 31 August 2016, total expenditure of £2,825,105 was incurred (which excludes depreciation of £96,041 and FRS 102 service costs of £87,000), which was more than covered by the recurrent grant income from the EFA, together with other incoming resources which totalled £3,072,317 (which excludes £2,890,747 of income transferred on conversion). Total funds carried forward amount to £2,452,918. This is in line with the trust's strategy to build and maintain adequate reserves to fund an ambitious plan of future improvements and development of the organisation and its infrastructure.

Unrestricted income in the period ended 31 August 2016 amounted to £42,221 (excluding £136,247 transferred on conversion). There was no unrestricted expenditure in the period.

At 31 August 2016 the net book value of fixed assets amounted to £3,568,366 and movements in fixed assets are shown in note 11 of the financial statements. The cost of fixed asset additions in the period ended 31 August 2016 amounted to £33,907.

Reserves policy

The trustees (Finance Committee) review the reserve funding level of the Academy annually when setting the annual budget. The level is set taking into account income & expenditure and the need to cover any unforeseen circumstances that may occur. This level has been set at £100,000 and will be assessed each Autumn term of the Academy. The amount is kept secure for a time when it is needed to self-finance a scheme or major capital projects.

The trust's current level of free reserves (total reserves less the amounts held in fixed asset reserve and restricted pension fund reserve) is £349,552.

In addition, the net liability due to the trust's participation in the Local Government Pension scheme (Greater Manchester Pension Fund – GMPF) amounts to £1,465,000. It should be noted, however, that an immediate liability for this amount is not crystallised at the financial period end. Parliament has agreed, at the request of the Secretary of State for Education, to guarantee that, in the event of academy closure, outstanding Local Government Pension Scheme liabilities would be met by the Department of Education. The guarantee came into force on 18 July 2013. This guarantee provides comfort to the trustees in the unlikely event of an academy closure.

Disclosure of funds in deficit is also included in Funds Note in financial statements (note 14 on page 33-34).

BRITE Trust

Trustees' Report for the period from 25 September 2015 to 31 August 2016 (continued)

Strategic Report

Plan for future periods.

The main emphasis over the forthcoming year will remain as being the teaching and learning of pupils with the BRITE Trust striving to improve the outcomes for those pupils within the trust.

To do this effectively:

New windows are needed

Investment policy

Where the academy has surplus cash reserves, these are reviewed and placed on deposit. The academy does not invest in the capital markets.

Principal risks and uncertainties

The trustees have assessed the major risks to the BRITE Trust as part of the BRITE Trust risk assessment. In particular those relating to the specific teaching, child protection, provision of facilities and the operational area of the Trust and its finances.

The BRITE Trust has implemented a number of systems to diminish the risks that the Trust faces. Operational procedures are in place to ensure staff are appropriately vetted as part of the recruitment programme. Staff are trained in Child protection and Health & safety so that the establishment is a safe place in which children can learn and flourish.

Systems are in place should the establishment suffer damage of either reputation or damage to the building. Loss of data or key personnel is also planned for.

Attainment which may affect the communities perception of the school is also planned for using the school development plan. The school reports regularly to the BRITE Trust trustees the Key Performance Indicators so that progress to target can be established and strategic plan amended where appropriate.

Finances are closely monitored so that funding cuts etc are planned for. The appropriate insurances are held so that the risk of financial loss is minimised.

ICT policies & secure systems are in place so that data is confidential, children can use the ICT equipment and internet safely and information is backed up to prevent loss.

Robust internal checking procedures ensure that there is a defined division of duties to prevent fraud.

BRITE Trust

Trustees' Report for the period from 25 September 2015 to 31 August 2016 (continued)

Auditor

In so far as the Trustees are aware:

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

Trustees' Report, incorporating a Strategic Report, approved by order of the members of the Governing Body on 21 December 2016 and signed on its behalf by:


.....
A White
Trustee

BRITE Trust

Governance Statement

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that the BRITE Academy 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 Head, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The BRITE Academy 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 Governing Body has formally met 4 times during the period. Attendance during the period at meetings of the Governing Body was as follows:

Trustee	Meetings attended	Out of a possible
S Rudd (Accounting officer)	4	4
A Wild	4	4
B Dawson	3	4
D Lampard	3	4
B Harrop	2	2
J Mckie	2	2
M Peak	1	1
D Thomas	0	1

Review of value for money

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

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

- Maintaining the upkeep of the building, decorating classrooms, replacing internal doors, improving security around the site.
- Investing in ICT iPads for class use, three quotes obtained and guidance from One Education ICT support secured best value for purchasing items.
- Procurement exercise was undertaken for the transfer of the school meal contract from Manchester City Council to our current provider, Dolce.

BRITE Trust

Governance Statement (continued)

The purpose of the system of internal control

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

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the period from 1st November 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 Academy Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

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

The Governing Body has considered the need for a specific internal audit function and has decided:

To appoint Mr Gary Sugden from Manchester City Council as our internal auditor. The internal auditor's role includes giving advice on financial matters and performing a range of internal checks on the academy trust's financial systems. On a half yearly basis the internal auditor submits a report to the Headteacher and Business Manager on the findings of his audit work and this is then submitted to the Governing Body. Any actions are discussed and timescales agreed to address the actions raised.

On 16th May 2016 Gary Sugden from MCC Internal Audit carried out the checks listed below:

- testing of payroll systems
- testing of purchase systems
- testing of control account/ bank reconciliations
- testing of handling of money and the segregation of duties

On an annual basis the internal auditor's report is presented to the LGB and the Board of Directors on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

There were no material control or other issues reported by the internal auditor to date.

BRITE Trust

Governance Statement (continued)

Review of effectiveness

As Accounting Officer, S Rudd has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:


- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the internal auditor and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Governing Body on 21 December 2016 and signed on its behalf by:



.....
A Wild
Trustee



.....
S Rudd
Accounting officer

BRITE Trust

Statement on Regularity, Propriety and Compliance

As Accounting Officer of BRITE Trust I have considered my responsibility to notify the Academy Trust Governing Body 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 Governing Body 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 Governing Body and EFA.



.....
S Rudd
Accounting Officer

21 December 2016

BRITE Trust

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the 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 apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board on 21 December 2016 and signed on its behalf by:


.....
A Wild
Trustee

BRITE Trust

Independent Auditor's Report on the Financial Statements to the Members of BRITE Trust

We have audited the financial statements of BRITE Trust for the period from 25 September 2015 to 31 August 2016, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and 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".

This report is made solely to the charitable company's trustees, 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 charity's trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditors

As explained more fully in the Statement of Trustees' Responsibilities (set out on page 15), the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB'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 charitable company'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 Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

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

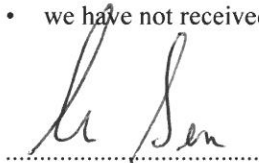
Matters on which we are required to report by exception

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:

BRITE Trust

Independent Auditor's Report on the Financial Statements to the Members of BRITE Trust (continued)

- 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.



Anna Bennett (Senior Statutory Auditor)
For and on behalf of Hallidays, Statutory Auditor

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date: 21/12/2016

BRITE Trust

Independent Reporting Accountant's Report on Regularity to BRITE Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 25 February 2016 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 BRITE Trust during the period 25 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 the Governing Body and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to the Governing Body and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Governing Body and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Governing Body's funding agreement with the Secretary of State for Education dated 27 October 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 period from 25 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 EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

A summary of the work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the Academy Trust's framework of authorities. As identified by review of minutes, management accounts, discussion with Accounting Officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the Academy Trust are within the Academy Trust's framework of authorities.
- We have considered the evidence supporting the Accounting Officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the Academy Trust and extended the procedures required for the financial statements to include regularity.

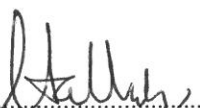
BRITE Trust

Independent Reporting Accountant's Report on Regularity to BRITE Trust and the Education Funding Agency (continued)

- We have assessed and tested a sample of specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the Academy Trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the Academy Trust's delegated authorities and that the internal delegations have been approved by the MAT Board and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the MAT Board and the Accounting Officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the Academy Trust's charitable objects.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period from 25 September 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Hallidays, Chartered Accountants

Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date: 21/12/2016

BRITE Trust

Statement of Financial Activities for the Period from 25 September 2015 to 31 August 2016 (including Income and Expenditure Account)

Note	Unrestricted Funds £	Restricted General Funds £	Restricted Pension Funds £	Restricted Fixed Asset Funds £	Total 2016 £
Income and endowments from:					
Donations and capital grants	245	-	-	11,376	11,621
Transfer from local authority on conversion	136,247	-	(876,000)	3,630,500	2,890,747
<i>Charitable activities:</i>					
Funding for the Academy trust's educational operations	-	3,018,720	-	-	3,018,720
Other trading activities	41,724	-	-	-	41,724
Investments	252	-	-	-	252
Total	178,468	3,018,720	(876,000)	3,641,876	5,963,064
Expenditure on:					
<i>Charitable activities:</i>					
Academy trust educational operations	-	2,825,105	87,000	96,041	3,008,146
Net income/(expenditure)	178,468	193,615	(963,000)	3,545,835	2,954,918
Transfers between funds	-	(22,531)	-	22,531	-
Other recognised gains and losses					
Actuarial gains (loss) on defined benefit pension schemes	-	-	(502,000)	-	(502,000)
Net movement in funds/(deficit)	178,468	171,084	(1,465,000)	3,568,366	2,452,918
Reconciliation of funds					
Total funds/(deficit) carried forward at 31 August 2016	178,468	171,084	(1,465,000)	3,568,366	2,452,918

BRITE Trust

**(Registration number: 09795288)
Balance Sheet as at 31 August 2016**

	Note	31 August 2016 £
Fixed assets		
Tangible assets	11	3,568,366
Current assets		
Debtors	12	182,256
Cash at bank and in hand		<u>291,523</u>
		473,779
Creditors: Amounts falling due within one year	13	<u>(124,227)</u>
Net current assets		<u>349,552</u>
Total assets less current liabilities		<u>3,917,918</u>
Net assets excluding pension liability		3,917,918
Pension scheme liability	21	<u>(1,465,000)</u>
Net assets including pension liability		<u><u>2,452,918</u></u>
Funds of the Academy:		
Restricted funds		
Restricted general fund		171,084
Restricted fixed asset fund		3,568,366
Restricted pension fund		<u>(1,465,000)</u>
		2,274,450
Unrestricted funds		
Unrestricted general fund		<u>178,468</u>
Total funds		<u><u>2,452,918</u></u>

The financial statements on pages 20 to 40 were approved by the Trustees, and authorised for issue on 21 December 2016 and signed on their behalf by:


.....
A Wild
Trustee

BRITE Trust

Statement of Cash Flows for the Period from 25 September 2015 to 31 August 2016

	Note	31 August 2016 £
Cash flows from operating activities		
Net cash provided by operating activities	17	120,292
Cash transferred on conversion to an academy trust		111,510
Cash flows from investing activities	18	<u>59,721</u>
Change in cash and cash equivalents in the period		291,523
Cash and cash equivalents at 25 September		<u>-</u>
Cash and cash equivalents at 31 August	19	<u><u>291,523</u></u>

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016

1 Accounting policies

Statement of accounting policies

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

Basis of preparation

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

BRITE Trust meets the definition of a public benefit entity under FRS 102.

Conversion to an academy trust

The conversion from a state maintained school to an Academy Trust involved the transfer of identifiable assets and liabilities and the operation of the school for £Nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Newall Green Primary School to an Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transaction are set out in the notes.

Going concern

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

Income

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

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

1 Accounting policies (continued)

Grants

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the balance sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Sponsorship income

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

Donations

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

Other income

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

Donated goods, facilities and services

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.

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

1 Accounting policies (continued)

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment. Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, per the table below.

Asset class	Depreciation method and rate
Leasehold land	0.80% straight line
Leasehold buildings	2% straight line
Furniture, fittings and equipment	20% reducing balance
Computer hardware	33.33% straight line
Plant & Machinery	20% reducing balance
Motor Vehicles	25% straight line

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

1 Accounting policies (continued)

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

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

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions

Provisions are recognised when the Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

Leased assets

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

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

1 Accounting policies (continued)

Pension benefits

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

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

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

Fund accounting

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

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

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

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.

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, 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 Donations and capital grants

	Unrestricted funds £	Restricted fixed asset funds £	Total 2016 £
Capital grants	-	11,376	11,376
Other donations	245	-	245
	245	11,376	11,621

3 Funding for the Academy Trust's educational operations

	Restricted funds £	Total 2016 £
DfE/EFA revenue grants		
General Annual Grant (GAG)	2,152,236	2,152,236
Start Up Grants	25,000	25,000
Other DfE/EFA grants	484,057	484,057
	2,661,293	2,661,293
Other government grants		
Local authority grants	357,427	357,427
Total grants	3,018,720	3,018,720

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

4 Other trading activities

	Unrestricted funds £	Total 2016 £
Catering income	143	143
Other sales	41,581	41,581
	<u>41,724</u>	<u>41,724</u>

5 Investment income

	Unrestricted funds £	Total 2016 £
Short term deposits	252	252

6 Expenditure

	Staff costs £	Premises £	Non Pay Expenditure Other costs £	Total 2016 £
Academy's educational operations				
Direct costs	2,034,338	85,476	135,783	2,255,597
Allocated support costs	291,133	188,158	273,258	752,549
	<u>2,325,471</u>	<u>273,634</u>	<u>409,041</u>	<u>3,008,146</u>

Net income/(expenditure) for the period includes:

	31 August 2016 £
Operating leases - other leases	9,493
Fees payable to auditor - audit	6,750
- other audit services	4,575
Depreciation	<u>111,041</u>

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

7 Charitable activities

	Total 2016 £
Direct costs - educational operations	2,255,597
Support costs - educational operations	<u>752,549</u>
	<u><u>3,008,146</u></u>

	Educational operations £	Total 2016 £
Analysis of support costs		
Support staff costs	291,133	291,133
Depreciation	10,565	10,565
Technology costs	16,901	16,901
Premises costs	177,593	177,593
Other support costs	231,577	231,577
Governance costs	<u>24,780</u>	<u>24,780</u>
Total support costs	<u><u>752,549</u></u>	<u><u>752,549</u></u>

8 Staff

Staff costs

	2016 £
Staff costs during the period were:	
Wages and salaries	1,771,144
Social security costs	131,258
Pension costs	<u>322,984</u>
	2,225,386
Supply teacher costs	<u>100,085</u>
	<u><u>2,325,471</u></u>

Staff numbers

The average number of persons (including senior management team) employed by the Academy during the period was as follows:

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

8 Staff (continued)

	31 August 2016 No
Charitable Activities	
Teachers	32
Administration and support	82
Management	7
	<hr/>
	121

Higher paid staff

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

	31 August 2016 No
£60,001 - £70,000	<hr/> <hr/> 1

The key management personnel of the Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £366,209.

9 Related party transactions - 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 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:

S Rudd (Accounting officer) (Headteacher):

Remuneration: £65,000 - £70,000

Employer's pension contributions: £10,000 - £15,000

Other related party transactions involving the trustees are set out in note 22.

10 Trustees' and officers' insurance

In accordance with normal commercial practice the Academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2016 was included in the total insurance cost.

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

11 Tangible fixed assets

	Leasehold land and buildings £	Furniture and equipment £	Computer equipment £	Total £
Cost				
Inherited assets	3,425,000	142,500	63,000	3,630,500
Additions	-	33,907	-	33,907
At 31 August 2016	<u>3,425,000</u>	<u>176,407</u>	<u>63,000</u>	<u>3,664,407</u>
Depreciation				
Charge for the year	53,753	24,788	17,500	96,041
At 31 August 2016	<u>53,753</u>	<u>24,788</u>	<u>17,500</u>	<u>96,041</u>
Net book value				
At 31 August 2016	<u>3,371,247</u>	<u>151,619</u>	<u>45,500</u>	<u>3,568,366</u>

The transfer value on conversion to academy of land and buildings was ascertained by Kier on behalf of the Education Funding Authority. The basis of valuation was the depreciated replacement cost method of valuation.

12 Debtors

	31 August 2016 £
VAT recoverable	61,206
Other debtors	1,666
Prepayments	30,220
Accrued grant and other income	89,164
	<u>182,256</u>

13 Creditors: amounts falling due within one year

	31 August 2016 £
Trade creditors	74,192
Other creditors	2,500
Accruals	28,671
Deferred income	18,864
	<u>124,227</u>

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

13 Creditors: amounts falling due within one year (continued)

	31 August 2016 £
Deferred income	
Resources deferred in the period	18,864

At the balance sheet date the academy trust was holding funds received in advance for UIFSM in respect of the academic year 2016/17.

14 Funds

	Incoming resources £	Resources expended £	Gains, losses and transfers £	Balance at 31 August 2016 £
Restricted general funds				
General Annual Grant (GAG)	2,152,236	(1,958,621)	(22,531)	171,084
Other DfE grants	484,057	(484,057)	-	-
Other restricted income	357,427	(357,427)	-	-
Start up grant	25,000	(25,000)	-	-
	3,018,720	(2,825,105)	(22,531)	171,084
Restricted fixed asset funds				
Fixed assets transferred upon conversion	3,630,500	(95,003)	-	3,535,497
DfE/EFA capital grants	11,376	(377)	-	10,999
Capital expenditure from GAG	-	(661)	22,531	21,870
	3,641,876	(96,041)	22,531	3,568,366
Restricted pension funds				
Pension reserve	(876,000)	(87,000)	(502,000)	(1,465,000)
Total restricted funds	5,784,596	(3,008,146)	(502,000)	2,274,450
Unrestricted funds				
Unrestricted general funds	178,468	-	-	178,468
Total funds	5,963,064	(3,008,146)	(502,000)	2,452,918

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

14 Funds (continued)

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objects of the Academy.

Restricted fixed asset funds are those funds relating to the long term assets of the Academy used in delivering the objects of the Academy.

Unrestricted funds are funds which the Governors may use in the pursuance of the Academy's objectives and are expendable at the discretion of the Governors.

15 Analysis of net assets between funds

	Unrestricted funds £	Restricted general funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets	-	-	3,568,366	3,568,366
Current assets	178,468	295,311	-	473,779
Current liabilities	-	(124,227)	-	(124,227)
Pension scheme liability	-	(1,465,000)	-	(1,465,000)
Total net assets	<u>178,468</u>	<u>(1,293,916)</u>	<u>3,568,366</u>	<u>2,452,918</u>

16 Commitments under operating leases

Operating leases

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

	31 August 2016 £
Within one year	38,151
In two and five years	<u>34,766</u>
	<u>72,917</u>

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

17 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	31 August 2016 £
Net income	2,954,918
Depreciation	96,041
Capital grants from DfE and other capital income	(11,376)
Interest receivable	(252)
FRS 102 defined benefit pension scheme service cost	58,000
FRS 102 defined benefit pension scheme finance cost	29,000
Increase in debtors	(182,256)
Increase in creditors	124,227
Cash transferred on conversion to an academy trust	(111,510)
Assets inherited on conversion to an academy trust	(3,712,500)
FRS 102 pension deficit inherited on conversion to an academy trust	876,000
Net cash provided by Operating Activities	<u>120,292</u>

18 Cash flows from investing activities

	31 August 2016 £
Dividends, interest and rents from investments	252
Purchase of tangible fixed assets	(33,907)
Capital funding received from sponsors and others	11,376
Net cash used in investing activities	<u>(22,279)</u>

19 Analysis of cash and cash equivalents

	At 31 August 2016 £
Cash at bank and in hand	<u>291,523</u>
Total cash and cash equivalents	<u>291,523</u>

20 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.

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

21 Pension and similar obligations

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Tameside Metropolitan Borough Council. Both are multi-employer defined benefit schemes.

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

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

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%.

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

21 Pension and similar obligations (continued)

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 £145,115.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2016 was £186,000, of which employer's contributions totalled £142,000 and employees' contributions totalled £44,000. The agreed contribution rates for future years are 19.1 per cent for employers and banded from 5.5 to 12.5 per cent for employees.

As described in the notes the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

Principal actuarial assumptions

	At 31 August 2016 %
Rate of increase in salaries	3.40
Rate of increase for pensions in payment/inflation	2.10
Discount rate for scheme liabilities	<u>2.00</u>

Sensitivity analysis

A sensitivity analysis for the principal assumptions used to measure scheme liabilities is set out below:

	- 0.5%
Adjustment to discount rate	£
Present value of total obligation	<u>300,000</u>
	+ 0.5%
Adjustment to pension rate	£
Present value of total obligation	<u>214,000</u>
	+ 0.5%
Adjustment to rate of salary growth	£
Present value of total obligation	<u>78,000</u>

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

21 Pension and similar obligations (continued)

	+ 1 Year £
Adjustment to mortality age rating assumption	£
Present value of total obligation	<u>86,000</u>

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

	At 31 August 2016
Retiring today	
Males retiring today	21.40
Females retiring today	24.00
Retiring in 20 years	
Males retiring in 20 years	24.00
Females retiring in 20 years	<u>26.60</u>

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

	At 31 August 2016 £
Equities	1,007
Government bonds	238,000
Property	84,000
Cash	<u>70,000</u>
Total market value of assets	<u>393,007</u>
Surplus in the scheme	<u>393,007</u>

The actual return on scheme assets was £35,000.

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

21 Pension and similar obligations (continued)

Amounts recognised in the statement of financial activities

	31 August 2016
	£
Current service cost less employer's contributions	58,000
Net interest cost	29,000
Total operating charge	<u>87,000</u>

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

	31 August 2016
	£
At 25 September	1,895,000
Current service cost	200,000
Interest cost	64,000
Employee contributions	44,000
Actuarial losses	661,000
At 31 August	<u>2,864,000</u>

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

	31 August 2016
	£
At 25 September	1,019,000
Return on plan assets (excluding net interest on the net defined pension liability)	35,000
Actuarial gains	159,000
Employer contributions	142,000
Employee contributions	44,000
At 31 August	<u>1,399,000</u>

22 Related party transactions

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

There were no related party transactions in the period, other than certain trustees' remuneration and expenses already disclosed in note 9.

BRITE Trust

Notes to the Financial Statements for the Period from 25 September 2015 to 31 August 2016 (continued)

23 Conversion to an academy trust

On 1 November 2015 the Newall Green Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to BRITE Trust from the Manchester City Council Local Authority for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as Donations - transfer from local authority on conversion.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted fund £	Restricted general fund £	Restricted fixed asset fund £	Total £
Tangible fixed assets				
Leasehold land and buildings	-	-	3,425,000	3,425,000
Other tangible fixed assets	-	-	205,500	205,500
Budget surplus on LA funds	136,247	-	-	136,247
LGPS pension deficit	-	(876,000)	-	(876,000)
Net assets/(liabilities)	<u>136,247</u>	<u>(876,000)</u>	<u>3,630,500</u>	<u>2,890,747</u>

The above net assets include £138,387 that were transferred as cash.