

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
(A company limited by guarantee)

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THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS MEMBERS/ TRUSTEES AND
ADVISERS**
FOR THE YEAR ENDED 31 AUGUST 2015

Trustees and members

Mr M R Butler DL*
Mr F J Corbett*, Chairman
Rev Canon P Hartley (resigned 31 December 2014)
Miss A V Musgrove*
Mr A W B Mash*, Accounting Officer
Mr D G Osborne*
Mr J L Stevens*
Mr M E Allbrook* (appointed 13 February 2015)
Mr W J J Crawshay (appointed 11 May 2015)
Mr C Hedges (appointed 11 May 2015)
Ms D M King (appointed 11 May 2015)
Mrs M Young (appointed 11 May 2015)

* The trustees selected above are also the company members.

Company registered number

08737435

Principal and registered office

Diocesan House, 109 Dereham Way, Easton, Norwich, Norfolk, NR9 5ES

Senior management team

F Corbett, Chairman
P Dunning, Chief Executive and Accounting Officer

Independent auditors

Larking Gowen, King Street House, 15 Upper King Street, Norwich, NR3 1RB

Bankers

Barclays plc, 3 St James Court, Whitefriars, Norwich, NR3 1RJ

Solicitors

Lee Bolton Monier-Williams, 1 The Sanctuary, Westminster, London, SW1P 3JT

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements and Auditors report of The Diocese of Norwich Multi-Academy Trust (the Academy Trust) for the year ended 31st August 2015. The Trustees confirm that the Annual report and financial statements of the Academy Trust comply with the current statutory requirements, the requirements of the Academy Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005. The annual report serves the purposes of both a trustees report and a directors' report under company law.

During the year the Academy Trust included fifteen Academies from within the Area of the Diocese of Norwich.

Structure, governance and management

a. CONSTITUTION

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association, as revised and approved July 2015, are the primary governing documents of the Academy Trust. The Academy Trust is known under the branding of DNEAT. 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 whilst they are a member, or within one year after they cease to be a member, any such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member.

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The Trustees have been elected and co-opted on the basis of their skills and experience. The management of the Academy 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 Academy Trust is implementing an annual training package for trustees, and as it seeks new trustees will have an induction event for new trustees.

e. ORGANISATIONAL STRUCTURE

The Trustees are responsible for the management of the company, and operationally during the year has delegated powers to the Chairman and Accounting Officer for day to day responsibility. During the year additional officers were employed who are responsible for the day to day operation. The Academies within the trust have powers delegated to them for operational and budgetary matters within the Academies through a Scheme of Delegation which is reviewed at least annually.

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

f. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The Academy Trust is connected to the Norwich Diocesan Board of Finance through its Trustees, which provides accommodation and some services for the Academy Trust on a cost recovery basis. The Academy Trust is also under common control with The Diocese of Norwich Educational and Academies Trust.

Objectives and Activities

a. OBJECTS AND AIMS

The Academy Trust's object is to advance for the public benefit education mainly but not exclusively by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum and which shall include:

1. Church of England Schools designated as such, which shall be conducted in accordance with the principles, practices and tenets of the Church of England
2. Other Academies whether with or without a designated religious character, but in relation to each of the Academies to recognise and support their individual ethos
3. Providing childcare facilities and adult training to develop the capacity and skills of parents with children primarily under five in such a way that they are better able to identify and help meet the needs of children

The Trust's further objects are:

1. Promoting in the United Kingdom the physical, intellectual and social development of primarily but not exclusively children under five especially those who are socially and economically disadvantaged;
2. Developing the capacity and skills of those inhabitants of the United Kingdom who are socially and economically disadvantaged in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society;
3. Relieving poverty among the inhabitants of the United Kingdom;
4. Relieving unemployment in the United Kingdom for the benefit of the public in such ways as may be thought fit, including assistance to find employment;
5. Advancing the health of the inhabitants of the United Kingdom;
6. Providing recreational and leisure time facilities in the interests of social welfare for the inhabitants of the United Kingdom especially those who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

Our objective is to establish an environment in which schools can flourish as successful academies, a commitment to working together, and working effectively with other organisations to create the best for Children and young people in our care. Our strategy is to identify the needs for rapid improvement or maintenance of high standards, and facilitating the work of improvement partners to deliver this. During this year we had a mixture of existing and new joiner Academies, these are being monitored carefully on Ofsted inspection criteria, pupil tracking data, and budgetary review and control.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

c. ACTIVITIES FOR ACHIEVING OBJECTIVES

During the year we have continued work with our academies, with our own central staffing and external improvement partners to identify the needs and to implement support within the individual Academies. We have also undertaken a review of other services and are supporting our Academies in system and procedural change. In so doing we are aiming for improved outcomes for children. During the year the Trust invested significantly in staffing resources and systems development as part of its ongoing strategy for growth in the number of academies.

d. PUBLIC BENEFIT

The trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers and duties.

Strategic report

Achievements and performance

a. GOING CONCERN

After making appropriate enquiries, the board of trustees has a reasonable expectation that the Academies 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.

b. KEY FINANCIAL PERFORMANCE INDICATORS

All of our Academies are measured for performance outcomes against Ofsted Inspection criteria on conversion and regularly during the year to monitor the improvement of those historically underperforming and maintenance of the outstanding. All Primary Academies have moved to a common pupil attainment and monitoring system to provide central information as part of this monitoring. As the majority of Academies within the trust have been in for less than one year, the changes are embedding and will be reported on when there is a full year's data. Financial performance is monitored against budgets set and approved by the trust board, and has been improved by the change to a fully integrated finance system during the year. We will be assessing results against DfE Benchmarking figures but have further work to do to allow for the number of small locations within the trust.

c. REVIEW OF ACTIVITIES

During the year an additional twelve schools became Academies within the trust, and a further four have joined the trust since the year end, and growth is expected to continue. The academy trust has also taken great steps forward in identifying and securing further personnel and consultancy to deliver and manage this future growth and deliver on its aims and objectives.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

d. INVESTMENT POLICY AND PERFORMANCE

The Academy Trusts governance document allows trustees to invest or deposit any funds not immediately required for the furtherance of its objects. Due to the start-up nature of the Academy Trust and the rapid growth, the trustees have decided to keep all funds immediately available. The trustees will review this on a regular basis.

e. FACTORS RELEVANT TO ACHIEVE OBJECTIVES

The planned growth in the number of Academies will continue to allow for a further increase in resources available to achieving our objectives.

Financial review

a. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

The Academy Trust has in place policies and plans for Financial and Risk Management. In a period of growth and change these are being regularly reviewed and updated to reflect the changes in the organisation. Within the year the Trust met its objectives and aims as described above in supporting and providing Primary and Secondary education and Childcare and Family support. The Trust also expended grants to improve standards in the member academies within the trust and to provide the structures for further support and growth and achieved a surplus to carry on the aims and support going forward.

b. PRINCIPAL RISKS AND UNCERTAINTIES

The trustees have assessed the major risks to which the Academy Trust is exposed, in particular those related to the operations and finances of the Academy Trust, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks. The Academy Trust has in place policies and plans for Financial and Risk Management. In a period of growth and change these are being regularly reviewed and updated to reflect the changes in the organisation.

The main risks are centred on delivering improvement and maintenance of successful outcomes for children and families within our Academies, and the numbers of children within those Academies and the funding generated. These areas are focused and reviewed regularly, and suitable strategies are put in place.

c. RESERVES POLICY

The value of reserves are disclosed within the notes to the Accounts, including the free reserves. In this initial period of growth the free reserves are to be maintained but the trustees will review the reserve policy regularly

d. PRINCIPAL FUNDING

The notes to the accounts provide a breakdown of income received. Our principal funding is from the Education Funding Agency in respect of grants for the operation of Academies.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

Plans for future periods

a. FUTURE DEVELOPMENTS

The Academy Trust is committed to growing the number of Academies and the resources to support this. Since the year end a further 4 schools have become Academies with the trust, with a number of other schools in process to convert.

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, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on _____ and signed on the board's behalf by:

.....
Mr F J Corbett
Chair of Trustees

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that The Diocese of Norwich Multi-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 Chief Executive, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Diocese of Norwich Multi-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 Trustees' responsibilities statement. 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
Mr M R Butler DL	3	4
Mr F J Corbett	4	4
Rev Canon P Hartley	2	2
Ms A V Musgrove	0	4
(This was an agreed leave of absence from board meetings whilst working away - attendance now resumed)		
Mr A W B Mash	3	4
Mr D G Osborne	4	4
Mr J L Stevens	3	4
Mr M E Allbrook	2	2
Mr W J J Crawshay	1	1
Mr C Hedges	1	1
Ms D M King	0	0
Mrs M Young	0	1

The board has met regularly and had no significant changes. The board continues to review where it needs to update and strengthen its membership.

As part of its ongoing monitoring and support for multi academy trusts the DfE has asked the New Schools Network to develop a toolkit to help Trust Boards be effective in their operation. We had been asked to be involved in the pilot so at the November 2015 Board meeting we had a representative (Felicity Gillespie) observe. She had previously carried out a one to one discussions with the Chair, Clerk, Diocesan Director of Education, Finance Manager and CEO. We expect a very brief written report before Christmas but her verbal feedback was extremely encouraging commenting on the rigour of discussion, the involvement of all Trustees and the positive relationships between all involved. The trust will in future carry out an internal annual review of governance.

The Finance, Audit and Resources committee is also a sub-committee of the main board of trustees. Its purpose is to plan the audit and review the outcomes and recommend actions to be followed.

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr M R Butler DL	2	2
Mr W Crawshay	1	1
Mr D. Orsbourne	1	1
Mr C Hedges	1	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 available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- The trust is looking at a number of common contracts and services to deliver economies of scale and ensure value for money.
- The trust carried out a significant tendering exercise on property maintenance and management and has been able to secure significant savings on these services.
- The trust will continue to review the services it purchases and will be looking at further tendering exercises in the coming months.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Diocese of Norwich Multi-Academy Trust for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the 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 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

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 Finance 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 board of trustees has considered the need for a specific internal audit function and has appointed Larking Gowen as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included:

The internal auditor has reported on a termly basis to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- 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 internal auditors and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on _____ and signed on its behalf, by:

.....
Mr F J Corbett
Chair of Trustees

.....
Mr P Dunning
Accounting officer

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of The Diocese of Norwich Multi-Academy Trust I have considered my responsibility to notify the Trust's 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 Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Trust board of trustees are able to identify any material, irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook (2014).

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.

.....
Mr P Dunning
Accounting officer

Date:

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

The trustees (who act as governors of The Diocese of Norwich Multi-Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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 _____ and signed on its behalf by:

.....
Mr F J Corbett
Chair of Trustees

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST

We have audited the financial statements of The Diocese of Norwich Multi-Academy Trust for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Trustees' responsibilities statement, the trustees (who are also the directors of the Academy 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

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

UNQUALIFIED OPINION

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

J Grimmer FCA DChA (Senior statutory auditor)

for and on behalf of

Larking Gowen

Chartered Accountants
Statutory Auditors

King Street House
15 Upper King Street
Norwich
NR3 1RB
Date:

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
DIOCESE OF NORWICH MULTI-ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 13 June 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Diocese of Norwich Multi-Academy Trust during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST'S
ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of The Diocese of Norwich Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 1 November 2013, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 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's income and expenditure.

In planning and conducting our work we had due regard to professional guidance, including the Academies Accounts Direction 2013 to 2014 and the ICAEW Assurance Sourcebook. The work undertaken to draw to our conclusion, includes, but is not limited to:

- Enquiry of senior management and the Trustees.
- Inspection and review of the accounting records, meeting minutes, internal control procedures, management representations and declarations of interest.
- Observation and re-performance of the financial controls.

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO THE
DIOCESE OF NORWICH MULTI-ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**
(continued)

CONCLUSION

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

Larking Gowen

Chartered Accountants
Statutory Auditors

King Street House
15 Upper King Street
Norwich
NR3 1RB

Date:

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Transfer from local authority upon conversion	2 1,347,609	(1,648,712)	42,699,277	42,398,174	5,834,014
Other voluntary income	2 68,990	-	-	68,990	8,876
Activities for generating funds	3 733,622	-	-	733,622	115,701
Investment income	4 685	-	-	685	-
Incoming resources from charitable activities	5 -	14,301,453	253,842	14,555,295	2,114,324
TOTAL INCOMING RESOURCES	2,150,906	12,652,741	42,953,119	57,756,766	8,072,915
RESOURCES EXPENDED					
Charitable activities	631,462	13,994,237	1,182,787	15,808,486	2,103,962
Governance costs	6 163,502	-	-	163,502	36,045
TOTAL RESOURCES EXPENDED	794,964	13,994,237	1,182,787	15,971,988	2,140,007
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS	1,355,942	(1,341,496)	41,770,332	41,784,778	5,932,908

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Transfers between Funds	21	(151,718)	-	151,718	-	-
NET INCOME FOR THE YEAR		1,204,224	(1,341,496)	41,922,050	41,784,778	5,932,908
Actuarial gains and losses on defined benefit pension schemes		-	61,000	-	61,000	(139,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		1,204,224	(1,280,496)	41,922,050	41,845,778	5,793,908
<i>Total funds at 1 September 2014</i>		<i>347,716</i>	<i>(3,750)</i>	<i>5,449,942</i>	<i>5,793,908</i>	<i>-</i>
TOTAL FUNDS AT 31 AUGUST 2015		1,551,940	(1,284,246)	47,371,992	47,639,686	5,793,908

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 44 form part of these financial statements.

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08737435

BALANCE SHEET
AS AT 31 AUGUST 2015

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	17		47,325,999		5,437,249
CURRENT ASSETS					
Stocks	18	8,690		-	
Debtors	19	891,944		142,764	
Cash at bank		3,533,642		770,336	
			<u>4,434,276</u>	<u>913,100</u>	
CREDITORS: amounts falling due within one year	20		(1,463,589)	(157,441)	
NET CURRENT ASSETS			<u>2,970,687</u>		<u>755,659</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>50,296,686</u>		<u>6,192,908</u>
Defined benefit pension scheme liability	27		(2,657,000)		(399,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>47,639,686</u></u>		<u><u>5,793,908</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
Restricted funds	21	1,372,754		395,250	
Restricted fixed asset funds	21	47,371,992		5,449,942	
Restricted funds excluding pension liability		48,744,746		5,845,192	
Pension reserve		(2,657,000)		(399,000)	
Total restricted funds			46,087,746		5,446,192
Unrestricted funds	21		1,551,940		347,716
TOTAL FUNDS			<u><u>47,639,686</u></u>		<u><u>5,793,908</u></u>

The financial statements were approved by the trustees, and authorised for issue, on and are signed on their behalf, by:

.....
Mr F J Corbett
Chair of Trustees

The notes on pages 20 to 44 form part of these financial statements.

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	23	1,088,812	389,675
Returns on investments and servicing of finance	24	685	-
Capital expenditure and financial investment	24	(196,747)	5,932
Cash transferred on conversion to an academy trust	26	1,870,556	374,729
INCREASE IN CASH IN THE YEAR		2,763,306	770,336

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	2014 £
Increase in cash in the year	2,763,306	770,336
MOVEMENT IN NET FUNDS IN THE YEAR	2,763,306	770,336
Net funds at 1 September 2014	770,336	-
NET FUNDS AT 31 AUGUST 2015	3,533,642	770,336

The notes on pages 20 to 44 form part of these financial statements.

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy 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 and include grants from the Department for Education.

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

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

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

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

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

Charitable activities are costs incurred in the Academy's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.

1.5 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 Academy Trust to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,500 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. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are 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's depreciation policy.

Premises occupied under a lease for 125 years are capitalised within tangible fixed assets, to reflect the Trust's right to use these properties over the long term. Also included are premises occupied under a short term licence from the Norwich Diocesan Board of Finance, reflecting the substance of the terms of occupation, and that the intention of the NDBF is understood to be to continue to make the properties available to the trust without rental charge for the long term. Details of these arrangements are described in Note 17.

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

L/Term Leasehold Property	-	2% Straight Line
Fixtures and fittings	-	25% Straight Line
Computer equipment	-	33% Straight Line
Property improvements	-	10% Straight Line

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.7 Operating leases

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.8 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.

1.9 Taxation

The Academy 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 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.

1.10 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 quinquennial valuations using a prospective benefit method. As stated in note 27, the TPS is a multi-employer scheme and the Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.11 Conversion to an academy trust

The conversion from state maintained schools to academy trusts involved the transfer of identifiable assets and liabilities and the operation of the schools for £NIL consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Open Academy, Kessingland Church of England Primary Academy, Whitefriars Church of England Primary Academy, Thomas Bullock Church of England Primary Academy, Mundford Church of England Primary Academy, St Peter & St Paul Church of England Primary Academy, Middleton Church of England Primary Academy, Swaffham Church of England Junior Academy, St Michael's (Gillingham) Church of England Primary Academy, Gooderstone Church of England Primary Academy, St Michael's (Kings Lynn) Church of England Primary Academy and Peterhouse Church of England Primary Academy to the academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for The Diocese of Norwich Multi-Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Leasehold properties transferred on conversion during 2013/14 were capitalised at their buildings insurance valuations, which were reviewed against valuations produced by the EFA to confirm that they provided reasonable and reliable estimates of fair value.

Leasehold properties transferred at conversion during 2014/15 (other than Open Academy) have been capitalised at Fair Value, using the method of depreciated replacement cost, derived from EFA valuations made for the purpose of Whole of Government Accounts. The Open Academy has been capitalised at the buildings insurance value from 2013/14.

Further details of conversions are set out in note 26.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	<i>Total funds 2014 £</i>
Transfer from local authority upon conversion	1,347,609	41,050,565	42,398,174	<i>5,834,014</i>
Donations	68,990	-	68,990	<i>8,876</i>
Voluntary income	1,416,599	41,050,565	42,467,164	<i>5,842,890</i>

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Catering Income	205,143	-	205,143	20,740
Income from Services Provided	35,913	-	35,913	10,335
Income from Other Schools	15,134	-	15,134	5,165
Other/Misc Income	310,627	-	310,627	26,869
Educational Visits	92,461	-	92,461	24,654
Nursery Fees	26,768	-	26,768	27,938
Self Generated Income	47,576	-	47,576	-
	<u>733,622</u>	<u>-</u>	<u>733,622</u>	<u>115,701</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Investment income	685	-	685	-
	<u>685</u>	<u>-</u>	<u>685</u>	<u>-</u>

5. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Educational Operations	-	14,555,295	14,555,295	2,114,324
	<u>-</u>	<u>14,555,295</u>	<u>14,555,295</u>	<u>2,114,324</u>

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
General Annual Grant (GAG)	-	11,353,752	11,353,752	1,163,544
Pupil Premium	-	991,428	991,428	67,038
Capital Grants	-	253,842	253,842	12,693
Other DfE/EFA Grants	-	197,869	197,869	352
Rates Relief	-	71,803	71,803	-
	-	12,868,694	12,868,694	1,243,627
Other government grants				
Local Authority Grants	-	1,259,746	1,259,746	255,697
Sponsor Capacity Grant	-	-	-	170,000
Conversion Grants	-	246,855	246,855	225,000
Improvement Grants	-	180,000	180,000	220,000
	-	1,686,601	1,686,601	870,697
	-	14,555,295	14,555,295	2,114,324

6. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration - current year	17,750	-	17,750	7,000
Auditors' remuneration - prior year under accrual	10,996	-	10,996	-
Auditors' non audit costs	12,901	-	12,901	-
Legal & Professional Fees	119,071	-	119,071	24,485
Travel & Meeting Expenses	2,784	-	2,784	4,560
	163,502	-	163,502	36,045

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

7. DIRECT COSTS

	Educational Operations	Total 2015	<i>Total 2014</i>
	£	£	£
Net pension interest (see note 16)	25,000	25,000	3,000
Technology costs	110,186	110,186	14,880
Educational supplies	629,320	629,320	60,657
Staff development	132,083	132,083	1,774
Educational consultancy	286,337	286,337	25,329
Other direct costs	86,158	86,158	56,547
Wages and salaries	7,855,561	7,855,561	755,798
National insurance	309,745	309,745	30,358
Pension cost	785,755	785,755	78,045
	<u>10,220,145</u>	<u>10,220,145</u>	<u>1,026,388</u>

8. SUPPORT COSTS

	Educational Operations	Total 2015	<i>Total 2014</i>
	£	£	£
Technology costs	102,995	102,995	-
Recruitment and support	125,196	125,196	11,959
Maintenance of premises and equipment	274,116	274,116	27,445
Cleaning	60,086	60,086	7,512
Rent & rates	142,614	142,614	34,378
Energy costs	214,942	214,942	32,001
Insurance	207,559	207,559	52,799
Security and transport	97,436	97,436	8,435
Catering	613,163	613,163	42,922
Bank interest and charges	10,277	10,277	1,199
Other support costs	156,739	156,739	32,839
Conversion and improvement costs	266,221	266,221	142,179
Wages and salaries	1,955,613	1,955,613	355,927
National insurance	63,249	63,249	14,285
Pension cost	115,348	115,348	36,726
Depreciation	1,182,787	1,182,787	276,968
	<u>5,588,341</u>	<u>5,588,341</u>	<u>1,077,574</u>

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

9. RESOURCES EXPENDED

	Staff costs	Non Pay Premises	Expenditure Other costs	Total	<i>Total</i>
	2015 £	2015 £	2015 £	2015 £	2014 £
Educational Operations	8,951,061	-	1,269,084	10,220,145	1,077,399
Support costs - Educational Operations	2,134,210	458,762	2,995,369	5,588,341	1,026,563
Charitable activities	11,085,271	458,762	4,264,453	15,808,486	2,103,962
Governance	-	-	163,502	163,502	36,045
	11,085,271	458,762	4,427,955	15,971,988	2,140,007

10. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2015 £	Support costs 2015 £	Total 2015 £	<i>Total</i> 2014 £
Educational Operations	10,220,145	5,588,341	15,808,486	2,103,962

11. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - depreciation	1,182,787	276,968
Operating lease rentals: - plant and machinery	39,614	428

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

12. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	9,811,174	1,111,725
Social security costs	372,994	44,643
Other pension costs (Note 27)	901,103	114,771
	<u>11,085,271</u>	<u>1,271,139</u>

b. Staff numbers

The average number of persons employed by the Academy during the year expressed as full time equivalents was as follows:

	2015 No.	2014 No.
Teachers	142	15
Administration and Support	268	40
Management	37	2
	<u>447</u>	<u>57</u>

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	4	0
In the band £70,001 - £80,000	7	0
In the band £100,001 - £200,000	1	0
	<u>12</u>	<u>0</u>

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

13. CENTRAL SERVICES

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

- School Improvement
- Finance Support
- Legal Support
- Governor Support/Clerking

The Trust charges for these services on the following basis:

For the year ended 31 August 2015:

Good & Outstanding £75 per pupil
Requires Improvement £95 per pupil
Special Measures £110 per pupil
The Open Academy - fixed £20,000 charge

From 1 September 2015:

Primary academies - 4%
The Open Academy - 1%

The actual amounts charged during the year were as follows:

	2015 £
Moorlands C of E Primary Academy	55,397
Ditchingham C of E Primary Academy	10,428
Flitcham C of E Primary Academy	5,655
Whitefriars C of E Primary Academy	34,595
Kessingland C of E Primary Academy	29,380
Open Academy	20,000
Thomas Bullock C of E Primary Academy	15,217
Mundford Cof E Primary Academy	8,989
St Peter & St Paul C of E Primary Academy	9,421
Swaffham C of E Primary Academy	13,043
Middleton C of E Primary Academy	6,994
Gooderstone C of E Primary Academy	4,400
St Michael's (Kings Lynn) Primary Academy	8,500
Peterhouse C of E Primary Academy	20,570
St Michael's (Gillingham) C of E Primary Academy	2,508
	<hr/>
Total	245,097

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

14. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 1 trustee (2014 - 1) in respect of defined contribution pension schemes.

During the year, no trustees received any remuneration (2014 - £NIL).

During the year, no trustees received any benefits in kind (2014 - £NIL).

During the year ended 31 August 2015, travel expenses totalling £1,443 (2014 - £1,791) were reimbursed to 4 trustees (2014 - 3).

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £2,075 (2014 - £3,005). The cost of this insurance is included in the total insurance cost.

16. OTHER FINANCE INCOME

	2015 £	2014 £
Expected return on pension scheme assets	241,000	22,000
Interest on pension scheme liabilities	(266,000)	(25,000)
	<u>(25,000)</u>	<u>(3,000)</u>

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

17. TANGIBLE FIXED ASSETS

	L/Term Leasehold Property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Property improvements £	Total £
Cost						
At 1 September 2014	4,998,596	-	580,477	135,144	-	5,714,217
Additions	-	-	131,013	207,284	15,282	353,579
Transferred on conversion	42,699,277	18,681	-	-	-	42,717,958
	<u>47,697,873</u>	<u>18,681</u>	<u>711,490</u>	<u>342,428</u>	<u>15,282</u>	<u>48,785,754</u>
Depreciation						
At 1 September 2014	87,252	-	145,119	44,597	-	276,968
Charge for the year	885,257	4,049	178,002	113,951	1,528	1,182,787
	<u>972,509</u>	<u>4,049</u>	<u>323,121</u>	<u>158,548</u>	<u>1,528</u>	<u>1,459,755</u>
Net book value						
At 31 August 2015	<u>46,725,364</u>	<u>14,632</u>	<u>388,369</u>	<u>183,880</u>	<u>13,754</u>	<u>47,325,999</u>
<i>At 31 August 2014</i>	<u>4,911,344</u>	<u>-</u>	<u>435,358</u>	<u>90,547</u>	<u>-</u>	<u>5,437,249</u>

Included in land and buildings is land at valuation of £3,435,000 which is not depreciated.

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

Terms of Occupation of Premises

Year of Conversion and Academy Name

	Buildings and Land	Playing Fields
2013/14 Moorlands CofE Primary Academy	Licence, 2 years notice, from NDBF	125 year lease from NCC
2013/14 Ditchingham CofE Primary Academy	Licence, 2 years notice, from NDBF	Licence, 2 years notice, from NDBF
2013/14 Flitcham CofE Primary Academy	Licence, 2 years notice, from Vicar and Churchwardens	Licence, 2 years notice, from Vicar and Churchwardens
2014/15 Open Academy	125 year lease from NCC	125 year lease from NCC
2014/15 Kessingland CofE Primary Academy	125 year lease from SCC	Licence, 2 years notice, from Vicar and Churchwardens
2014/15 Whitefriars C of E Primary Academy	Licence, 2 years notice, from NDBF	125 year lease from NCC, subject to tenancy on caretakers house
2014/15 Thomas Bullock CofE Primary Academy	Licence, 2 years notice, from Thomas Bullock charity	Licence, 2 years notice, from Thomas Bullock charity
2014/15 Mundford CofE Primary Academy	Licence, 2 years notice, from NDBF	125 year lease from NCC
2014/15 St Peter & St Paul CofE Primary Academy	Licence, 2 years notice, from NDBF	125 year lease from NCC
2014/15 Middleton CofE Primary Academy	Licence, 2 years notice, from NDBF	Licence, 2 years notice, from NDBF
2014/15 Swaffham CofE Primary Academy	Licence, 2 years notice, from NDBF	125 year from NCC
2014/15 St Michael's (Gillingham) CofE Primary Academy	Licence, 2 years notice, from NDBF	125 year from NCC
2014/15 Gooderstone CofE Primary Academy	Licence, 2 years notice, from NDBF	125 year lease from NCC
2014/15 St Michael's (Kings Lynn) Primary Academy	Licence, 2 years notice, from NDBF	None
2014/15 Peterhouse CofE Primary Academy	Licence, 2 years notice, from NDBF	125 year lease from NCC

In the table above 'NDBF' is the Norwich Diocesan Board of Finance Ltd, 'NCC' is Norfolk County Council and 'SCC' is Suffolk County Council.

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18. STOCKS

	2015 £	2014 £
Finished goods and goods for resale	<u>8,690</u>	<u>-</u>

19. DEBTORS

	2015 £	2014 £
Trade debtors	129,933	49,971
Other debtors	44,564	5,408
VAT recoverable	409,605	70,382
Prepayments and accrued income	307,842	17,003
	<u>891,944</u>	<u>142,764</u>

20. CREDITORS:
Amounts falling due within one year

	2015 £	2014 £
Trade creditors	576,028	123,909
Other taxation and social security	191,372	5,853
Other creditors	405,128	-
Accruals and deferred income	291,061	27,679
	<u>1,463,589</u>	<u>157,441</u>

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

21. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
Unrestricted Funds	347,716	2,150,906	(794,964)	(151,718)	-	1,551,940
Restricted funds						
General Annual Grant (GAG)	-	11,353,752	(11,123,901)	-	-	229,851
Other DfE/EFA Grants	-	215,079	(215,079)	-	-	-
Sponsor Capacity Grants	92,430	-	-	-	-	92,430
Conversion Grants	108,608	246,855	(186,371)	-	-	169,092
Improvement Grants	194,212	180,000	(79,850)	-	-	294,362
Local Authority Grants	-	1,259,746	(1,259,746)	-	-	-
Pupil Premium	-	991,428	(815,792)	-	-	175,636
Rates Relief	-	71,803	(71,803)	-	-	-
Open Academy - Sponsor Chaplain Fund	-	438,078	(26,695)	-	-	411,383
Pension reserve	(399,000)	(2,104,000)	(215,000)	-	61,000	(2,657,000)
	(3,750)	12,652,741	(13,994,237)	-	61,000	(1,284,246)
Restricted fixed asset funds						
Restricted Fixed Asset Fund	5,437,249	42,699,277	(1,182,787)	353,579	-	47,307,318
Capital Grants	12,693	253,842	-	(201,861)	-	64,674
	5,449,942	42,953,119	(1,182,787)	151,718	-	47,371,992
Total restricted funds	5,446,192	55,605,860	(15,177,024)	151,718	61,000	46,087,746
Total of funds	5,793,908	57,756,766	(15,971,988)	-	61,000	47,639,686

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

The General Annual Grant (GAG) represents core funding for the educational activities of the school that has been provided to the academy via the Education Funding Agency by the Department of Education. The GAG fund has been set up because the GAG must be used for the normal running costs of the academy.

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21. STATEMENT OF FUNDS (continued)

The pension reserve separately identifies the pension deficit on the local authority pension scheme.

The local authority grants fund recognises the restricted grant funding received from the local authority to be used for the purpose of specific projects and assisting with the education of children whom require special assistance when it comes to learning.

The restricted fixed assets fund recognises the tangible fixed assets gifted to the trust upon conversion by the local authority and also those purchased by the academy following conversion that have been funded from GAG and other funds (via fund transfers). Depreciation charged on those tangible assets is allocated to the fund.

The capital grants fund represents the total amount of capital grants received. The monies spent on fixed assets and refurbishment works are therefore allocated to this fund. Depreciation charged on fixed asset purchases is allocated to this fund.

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 2015.

Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows:

	Total £
Moorlands Church of England Primary Academy	268,694
Ditchingham Church of England Primary Academy	109,219
Flitcham Church of England Primary Academy	17,829
Open Academy	575,285
Kessingland Church of England Primary Academy	181,403
Whitefriars Church of England Primary Academy	468,280
Thomas Bullock Church of England Primary Academy	71,692
Mundford Church of England Primary Academy	80,738
St Peter & St Paul Church of England Primary Academy	100,603
Middleton Church of England Primary Academy	63,401
Swaffham Church of England Primary Academy	76,465
St Michael's (Gillingham) Church of England Primary Academy	50,837
Gooderstone Church of England Primary Academy	37,855
St Michael's (Kings Lynn) Church of England Primary Academy	598,354
Peterhouse Church of England Primary Academy	213,965
Central services	10,074
Total before fixed asset fund and pension reserve	2,924,694
Restricted fixed asset fund	47,371,992
Pension reserve	(2,657,000)
Total	47,639,686

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21. STATEMENT OF FUNDS (continued)

Analysis of academies by cost

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
Moorlands Church of England Primary Academy	1,055,994	244,467	36,308	453,136	1,789,905
Ditchingham Church of England Primary Academy	208,025	59,898	16,699	79,322	363,944
Flitcham Church of England Primary Academy	236,148	32,623	11,402	105,042	385,215
Open Academy	2,203,120	1,003,100	149,094	787,482	4,142,796
Kessingland Church of England Primary Academy	702,170	215,990	17,741	253,297	1,189,198
Whitefriars Church of England Primary Academy	1,153,568	185,717	72,642	399,355	1,811,282
Thomas Bullock Church of England Primary Academy	413,345	56,635	25,367	145,864	641,211
Mundford Church of England Primary Academy	304,438	67,822	7,677	106,423	486,360
St Peter & St Paul Church of England Primary Academy	321,495	41,048	10,744	71,611	444,898
Middleton Church of England Primary Academy	186,743	32,349	3,272	77,390	299,754
Swaffham Church of England Primary Academy	332,848	82,539	51,736	82,533	549,656
St Michael's (Gillingham) Church of England Primary Academy	98,739	15,954	12,018	30,436	157,147
Gooderstone Church of England Primary Academy	129,894	18,257	3,903	23,758	175,812
St Michael's (Kings Lynn) Church of England Primary Academy	510,131	140,139	21,499	160,064	831,833
Peterhouse Church of England Primary Academy	507,128	117,239	13,683	174,732	812,782
Central services	-	217,707	-	111,199	328,906
	<u>8,363,786</u>	<u>2,531,484</u>	<u>453,785</u>	<u>3,061,644</u>	<u>14,410,699</u>

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SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	347,716	2,150,906	(794,964)	(151,718)	-	1,551,940
Restricted funds	(3,750)	12,652,741	(13,994,237)	-	61,000	(1,284,246)
Restricted fixed asset funds	5,449,942	42,953,119	(1,182,787)	151,718	-	47,371,992
	<u>5,793,908</u>	<u>57,756,766</u>	<u>(15,971,988)</u>	<u>-</u>	<u>61,000</u>	<u>47,639,686</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	47,325,998	47,325,998	5,437,248
Current assets	3,197,964	1,190,319	45,994	4,434,277	913,102
Creditors due within one year	(1,646,024)	182,435	-	(1,463,589)	(157,442)
Provisions for liabilities and charges	-	(2,657,000)	-	(2,657,000)	(399,000)
	<u>1,551,940</u>	<u>(1,284,246)</u>	<u>47,371,992</u>	<u>47,639,686</u>	<u>5,793,908</u>

23. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	41,784,778	5,932,908
Returns on investments and servicing of finance	(685)	-
Funds on conversion	(44,588,997)	(6,083,014)
Depreciation of tangible fixed assets	1,182,787	276,968
Capital grants from DfE	(156,832)	(12,693)
Increase in stocks	(8,690)	-
Increase in debtors	(749,180)	(142,765)
Increase in creditors	1,306,631	158,271
Increase in provisions - FRS17 liabilities transferred in on conversion	2,104,000	249,000
FRS 17 adjustments - finance costs	25,000	3,000
FRS 17 adjustments - staff costs	190,000	8,000
Net cash inflow from operations	<u>1,088,812</u>	<u>389,675</u>

THE DIOCESE OF NORWICH MULTI-ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	685	-
	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(353,579)	5,932
Capital grants from DfE	156,832	-
	(196,747)	5,932
Net cash (outflow)/inflow capital expenditure	(196,747)	5,932

25. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	770,336	2,763,306	-	3,533,642
Net funds	770,336	2,763,306	-	3,533,642
	770,336	2,763,306	-	3,533,642

26. CONVERSION TO AN ACADEMY TRUST

The Open Academy moved from a single academy trust on 1 September 2014.

During 2014/15, the following schools converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Diocese of Norwich Multi-Academy Trust from Norfolk County Council and Suffolk County Council for £NIL consideration.

Kessingland Church of England Primary Academy converted 1 September 2014.
 Whitefriars Church of England Primary Academy converted 1 September 2014.
 Thomas Bullock Church of England Primary Academy converted 1 November 2014.
 Mundford Church of England Primary Academy converted 1 December 2014.
 St Peter & St Paul Church of England Primary Academy converted 1 February 2015.
 Middleton Church of England Primary Academy converted 1 February 2015.
 Swaffham Church of England Primary Academy converted 1 February 2015.
 St Michael's (Gillingham) Church of England Primary Academy converted 1 March 2015.
 Gooderstone Church of England Primary Academy converted 1 March 2015.
 St Michael's (Kings Lynn) Church of England Primary Academy converted 1 March 2015.
 Peterhouse Church of England Primary Academy converted 1 March 2015.

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NOTES TO THE FINANCIAL STATEMENTS
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26. CONVERSION TO AN ACADEMY TRUST (continued)

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 as net incoming resources in the Statement of financial activities as voluntary income.

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Freehold/leasehold land and buildings	-	-	42,699,277	42,699,277
Budget surplus/(deficit) on LA funds	1,347,609	455,288	-	1,802,897
LGPS pension surplus/(deficit)	-	(2,104,000)	-	(2,104,000)
Net assets/(liabilities)	<u>1,347,609</u>	<u>(1,648,712)</u>	<u>42,699,277</u>	<u>42,398,174</u>

The above net assets include £1,802,897 that were transferred as cash.

The transfer agreements for each converter school are described in note 17.

27. PENSION COMMITMENTS

The Academy 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 Norfolk County Council and, for Kessingland C of E Primary Academy, Suffolk County Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

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.

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27. PENSION COMMITMENTS (continued)

Valuation of the Teachers' Pension Scheme

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

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

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

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The 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 assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £651,000, of which employer's contributions totalled £492,000 and employees' contributions totalled £159,000. The agreed contribution rates for future years are 16.48% for employers and tiered 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.

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27. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	<i>Expected return at 31 August 2014 %</i>	<i>Fair value at 31 August 2014 £</i>
Equities	3.80	3,767,000	6.30	376,000
Bonds	3.80	1,671,000	3.40	121,000
Property	3.80	837,000	4.50	63,000
Cash	3.80	190,000	3.30	17,000
Total market value of assets		<u>6,465,000</u>		<u>577,000</u>
Present value of scheme liabilities		<u>(9,122,000)</u>		<u>(976,000)</u>
(Deficit)/surplus in the scheme		<u>(2,657,000)</u>		<u>(399,000)</u>

The amounts recognised in the Balance sheet are as follows:

	2015 £	<i>2014 £</i>
Present value of funded obligations	(9,122,000)	<i>(976,000)</i>
Fair value of scheme assets	<u>6,465,000</u>	<u><i>577,000</i></u>
Net liability	<u>(2,657,000)</u>	<u><i>(399,000)</i></u>

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

	2015 £	<i>2014 £</i>
Current service cost	(682,000)	<i>(64,000)</i>
Interest on obligation	(266,000)	<i>(25,000)</i>
Expected return on scheme assets	<u>241,000</u>	<u><i>22,000</i></u>
Total	<u>(707,000)</u>	<u><i>(67,000)</i></u>
Actual return on scheme assets	<u>284,000</u>	<u><i>34,000</i></u>

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27. PENSION COMMITMENTS (continued)

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

	2015	<i>2014</i>
	£	£
Transfer of opening defined benefit obligation	976,000	<i>718,000</i>
Current service cost	682,000	<i>64,000</i>
Interest cost	266,000	<i>25,000</i>
Contributions by scheme participants	159,000	<i>18,000</i>
Actuarial (Gains)/losses	(157,000)	<i>151,000</i>
Liabilities assumed on academy conversion	7,196,000	<i>-</i>
	<hr/>	<hr/>
Closing defined benefit obligation	9,122,000	<i>976,000</i>
	<hr/> <hr/>	<hr/> <hr/>

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

	2015	<i>2014</i>
	£	£
Transfer of opening fair value of scheme assets	577,000	<i>469,000</i>
Expected return on assets	241,000	<i>22,000</i>
Actuarial gains and (losses)	(96,000)	<i>12,000</i>
Contributions by employer	492,000	<i>56,000</i>
Contributions by employees	159,000	<i>18,000</i>
Assets acquired on academy conversion	5,092,000	<i>-</i>
	<hr/>	<hr/>
	6,465,000	<i>577,000</i>
	<hr/> <hr/>	<hr/> <hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £78,000 loss (2014 - £139,000 loss).

The Academy Trust expects to contribute £951,000 to its Defined benefit pension scheme in 2016.

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

	2015	<i>2014</i>
Equities	3.80 %	<i>6.30 %</i>
Bonds	3.80 %	<i>3.40 %</i>
Cash	3.80 %	<i>3.30 %</i>
Property	3.80 %	<i>4.50 %</i>

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

	2015	<i>2014</i>
Discount rate for scheme liabilities	3.80 %	<i>3.70 %</i>
Expected return on scheme assets at 31 August	3.80 %	<i>5.40 %</i>
Rate of increase in salaries	3.60 %	<i>3.50 %</i>
Rate of increase for pensions in payment / inflation	2.70 %	<i>2.70 %</i>

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27. PENSION COMMITMENTS (continued)

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

	2015	<i>2014</i>
Retiring today		
Males	22.1 years	<i>22.1 years</i>
Females	24.3 years	<i>24.3 years</i>
Retiring in 20 years		
Males	24.5 years	<i>24.5 years</i>
Females	26.9 years	<i>26.9 years</i>

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015	<i>2014</i>
	£	£
Defined benefit obligation	(9,122,000)	<i>(976,000)</i>
Scheme assets	6,465,000	<i>577,000</i>
Deficit	(2,657,000)	<i>(399,000)</i>
Experience adjustments on scheme liabilities	157,000	<i>(151,000)</i>
Experience adjustments on scheme assets	(96,000)	<i>12,000</i>

28. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Academy had annual commitments under non-cancellable operating leases as follows:

	2015	<i>2014</i>
	£	£
Expiry date:		
Within 1 year	3,562	<i>-</i>
Between 2 and 5 years	68,494	<i>946</i>

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NOTES TO THE FINANCIAL STATEMENTS
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29. RELATED PARTY TRANSACTIONS

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

The Norwich Diocesan Board of Finance Limited (NDBF) is a related party due to its powers in relation to the appointment of the company's members.

During the year, NDBF paid grants to the company amounting to £nil (2014: £170,000).

NDBF recharged costs incurred in relation to services provided to the company totalling £29,353 (2014: £65,602), of which £nil (2014: £17,207) was outstanding at the year end.

Certain academy schools occupy premises that are owned by the NDBF. No charge is made for occupation. The terms of occupation of each school are detailed in note 17.

Payments amounting to £nil (2014: £23,754) were made by the Norwich Diocesan Board of Finance to Fred Corbett in respect of services that benefited the development of the Trust and the Diocese of Norwich Educational and Academies Trust.

During the year payments of £10,225 were made to Spire Support Services Ltd, a company wholly owned by NDBF.

During the year payments of £2,092 were made to WiSpire Ltd, a company under the control of Spire Support Services Ltd.