

**REGISTERED COMPANY NUMBER: 07903002 (England and Wales)**

**REPORT OF THE TRUSTEES AND  
AUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31 AUGUST 2013  
FOR  
THE ACTIVE LEARNING TRUST LIMITED**

SBM & Co  
24 Wandsworth Road  
London  
SW8 2JW

**THE ACTIVE LEARNING TRUST LIMITED**  
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**FOR THE YEAR ENDED 31 AUGUST 2013**

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**THE ACTIVE LEARNING TRUST LIMITED**  
**REFERENCE AND ADMINISTRATIVE DETAILS**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

**TRUSTEES**

G P Peile  
S Steel  
C Bush  
Ms L Adams  
Ms M Toft  
M Collin (resigned 27.2.13)  
J Deakin  
G Rowney (appointed 12.9.12)  
D J Hilton (resigned 30.4.13)  
D J Bateson (appointed 5.12.12)  
Ms M Lloyd (appointed 5.12.12)  
M A Kerr (appointed 30.4.13)  
J Beswick (appointed 29.7.13)

**COMPANY SECRETARY**

J F G Pallet

**REGISTERED OFFICE**

c/o Chesterton Primary School  
Green End Road  
Cambridge  
CB4 1RW

**REGISTERED COMPANY NUMBER**

07903002 (England and Wales)

**AUDITORS**

SBM & Co  
24 Wandsworth Road  
London  
SW8 2JW

**SOLICITORS**

Mullis and Peake  
8 - 10 Eastern Road  
Romford  
Essex  
RM1 3PJ

# **THE ACTIVE LEARNING TRUST LIMITED**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013**

The trustees who are also directors of the academy trust for the purposes of the Companies Act 2006, present their report with the financial statements of the academy trust for the year ended 31 August 2013. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005 and the Academies Accounts Direction issued by the Education Funding Agency.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Governing document**

The academy trust was incorporated on 9 January 2012 as 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.

#### **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**

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

#### **Principal activities**

The Trust's activities are governed by the Articles of Association which specifies the role as being to advance for the public benefit education in the United Kingdom, in particular to establishing, maintaining, carrying on, managing and developing schools ("the mainstream Academies") offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them ("the alternative provision Academies") or 16 to 19 Academies offering a curriculum provision for pupils with Special Educational Needs ("the Special Academies").

#### **Recruitment and appointment of new trustees**

There are three members of the Trust, Stephen Steel (our Chair), Clive Bush and Gary Peile who have the authority to appoint up to 10 trustees. The articles of the Trust allow the trustees to appoint additional co-opted members. In determining membership of the Trust board, the members take into account the skills, knowledge and experience of potential trustees. In addition the members seek to ensure that all trustees have a passion for education and a determination to assist the Trust management in securing improvement of attainment in Trust schools. The Board similarly takes into account the skills, knowledge and experience of potential trustees who could then be co-opted to join the board.

#### **Induction and training of new trustees**

Trustees have been made aware of their responsibilities and a training programme is being developed to emphasise the importance of maintaining good governance across all of the Trust's activities.

In this first year of the Trust we have sought to update trustees on their responsibilities and have, for example, used the development of our policy statements across the trust to explain the relationships between the board, its local bodies and schools. In addition we have used the scheme of delegation to further explain those positions.

We intend to add further training for Trustees in the coming year on a range of issues including finance and school improvement.

# **THE ACTIVE LEARNING TRUST LIMITED**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013**

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Organisational structure**

The Trust board has established three committees to undertake detailed examination of aspects of the Trust's operation. These three committees are:

- Audit
- Remuneration and Personnel
- Finance and General Purposes

The minutes of each committee are received by the Board and the chair of each committee reports back to the board on its work. The terms of reference for each committee are reviewed annually. The Trust board retains responsibility for oversight of the work of the Trust on school improvement activities and the key decisions around finance and personnel.

Each school operates with a local governing body, whose work is governed by a scheme of delegation. In addition, the Trust has agreed manuals with schools that set out the delegated responsibilities within each school.

The Chief Executive, Clive Bush, is the accounting officer for the Active Learning Trust. The Board has established that day to day decision making rests with the Chief Executive and his senior team and the Chief Executive reports back to the Board at each meeting with both a record of work of the Trust since the last meeting and with potential changes in the workload of the Trust which may impact on resourcing.

#### **Risk management**

The trustees have a duty to identify and review the risks to which the academy trust is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

As stated above, the Trust has an audit committee which regularly reviews the Trust's risk register. The work of the Committee is then reported back to the Board. The senior leadership team of the Trust are responsible for the regular review of the risk register for the Trust and for ensuring that contingency arrangements are put in place to reduce those risks.

### **OBJECTIVES AND ACTIVITIES**

#### **Objects and aims**

The Active Learning Trust's prime aim is to establish, maintain and develop academy schools offering a broad and balanced curriculum. The Trust exists to enable all pupils in its schools to achieve to the best of their ability in all that they do. In order to do this the Trust has gained DfE approval as a multi Academy sponsor and has drawn together The key object of the Active Learning Trust is to raise standards of education in those schools approved to join the Trust by the Secretary of State. The Trust does this through developing and implementing school improvement activities designed to ensure that every pupil attending an Active Learning Trust school has the opportunity to access a broad and balanced curriculum that is based upon (but is extended beyond) the National Curriculum.

As part of its work, the Trust seeks to ensure that its schools has access to evidenced based school improvement activities that will support the achievement of pupils and also has access to resources and experience of other organisations with whom partnerships have the potential to help meet the overall aim of the Trust.

# **THE ACTIVE LEARNING TRUST LIMITED**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013**

### **OBJECTIVES AND ACTIVITIES**

#### **Objectives, strategies and activities**

Our vision is to drive up standards in all the schools and settings we work with so that they can become outstanding within three years. We will do this by maximising our impact at school level, both with schools in need of significant improvement and with those that are already good and we will work with currently outstanding schools both to maintain that judgement and use their expertise to support others. Through this approach we will build a broad professional partnership of Academies that share the same vision and values represented by the Trust.

Specifically we will:

- Support the drive to raise standards in the lowest performing schools, through sponsorship and the deployment of our own team of experienced school improvers and with the support of existing high performing schools
- Continually improve our capacity to ensure that the quality of what we deliver remains at an outstandingly high level by ensuring there are strong systems of performance management in place in all schools to support improvement, seeking out and valuing excellent performance and by ensuring good value for money
- Ensure the delivery of high quality education through our Academies to support pupils across all age ranges from the early years to post 16
- Work with LAs on school organisation issues to address local communities' demand for the provision of high quality school places locally
- Develop the leadership, management and governance in all our schools so that we grow and maintain the best leaders, and act as a "Training School" network to grow the next generation of effective teachers, school leaders, support staff and governors
- Establish a strong professional partnership of Active Learning Trust Academies so that they can stimulate and support each other across all aspects of teaching and learning and leadership and management.
- Provide value for money services to our schools that minimise administration locally and maximise the potential for our managers to be leaders in their schools. The Trust will fully utilise cutting edge ICT systems to provide cost effective solutions and operations within and across its schools.
- Ensure as a business, the Trust maximises the potential for income and maintains a high level of control on costs which provides long term security for the Trust and its schools.

#### **Public benefit**

Trustees have, as part of their overall role, ensured that the Trust has undertaken its role to support all pupils in all the schools approved to be part of the Trust. As a Trust, the Board recognises its responsibility for the sound management of public funds and to enable the focus of the Trust to be on the prime objective to support pupils to maximise their potential. All funds are used to deliver the objectives of the Trust. There are no shareholders of the Trust and, therefore, all funds are utilised to deliver the aims of the Trust.

## **THE ACTIVE LEARNING TRUST LIMITED**

### **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013**

#### **ACHIEVEMENT AND PERFORMANCE**

##### **Charitable activities**

The financial year covered by this report included the Trust's approval as a Multi-academy sponsor from 1st April 2013. Prior to this date, the Trust operated through separate contracts with a number of schools and local authorities to support school improvement. Importantly this included early with the then name Neale-Wade Community School, which became The Neale-Wade Academy as a Trust school on 1st April. The agreement to work on behalf of Cambridgeshire County Council from September 2012 to April 2013 provided an opportunity for many of the Trust's experienced staff to work with the school's team to begin progress on school improvement prior to achieving academy status. This work enabled the Trust to work with the school for a full year prior to the first set of public. The Trust is pleased to report that the Key Stage 4 and 5 results for 2013 at the Neale-Wade Academy have shown a significant improvement on the previous year examinations

As well as the work with Neale-Wade, the Trust was able to secure a small number of contracts with, for example, the Haberdasher's Askes' Foundation, which enabled the management of the Trust both to gain experience with academy sponsors but also to bring into the Trust funding to enable a number of the key back office facilities to be built prior to schools joining the Trust.

The Trust's approved business plan sets out the ambition for 10-14 schools to join the Trust over the course of the first two years of operation. The Trust is pleased that a total of five schools are already members of the Trust, these are:

The Neale-Wade Academy, March, Cambridgeshire - 1 April 2013  
Burrowmoor Primary School, March, Cambridgeshire - 1 July 2013  
Gusford Primary School, Ipswich, Suffolk - 1 August 2013  
Westwood Primary School, Lowestoft, Suffolk - 1 August 2013  
Chesterton Primary School, Cambridge, Cambridgeshire - 1 September 2013

What was particularly pleasing in the first year of operation was that Cambridgeshire County Council recommended the Trust to sponsor the new Chesterton Primary School following a local competitive process and this was approved by the Secretary of State to enable the school to open on 1 September 2013.

As the schools other than The Neale-Wade Academy have been with the Trust for two months or less until the year-end, no data is available for those schools in terms of performance, although work continues in all schools in terms of performance and will be reported in future years

##### **Going concern**

The approval of the Multi-Academy funding agreement, together with the supplemental funding agreement with each school, provides certainty over funding from the Department of Education. Each separate supplemental agreement provides for at least 7 years approval for funding. At the time of writing this report, the Trust is confident that additional schools will be approved to join the Trust which will be increase income and allow the Trust to extend its operations to support the schools in their determination to raise standards.

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.

##### **Key performance indicators**

Our KPIs are primarily related to the setting and evaluation of targets at school level for pupil performance. These targets are regularly monitored through detailed meetings between our Chief Executive and the relevant headteacher and reported to our board through regular reports from the Chief Executive.

In terms of the trust itself our key performance indicators relate to our position in terms of the number of schools we intend to support as academies against an overall target of between 10 and 15 schools. Alongside this is the need for our constant review of the budget position as the Trust grows.

# **THE ACTIVE LEARNING TRUST LIMITED**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013**

### **FINANCIAL REVIEW**

#### **Principal funding sources**

The great majority of the Trust's income is derived from recurrent grants from the EFA (Education Funding Agency) to each of the individual Academies within the Trust. The use of these funds is restricted to the particular purpose of the grant. The grants received from the EFA in the period 1st September 2012 to 31st August 2013 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The Trust has also undertaken a small number of pieces of consultancy work for other trusts and schools/academies. These activities have generated total net unrestricted income of £45,771 which has been utilised to support the Trust's main charitable purpose.

During this initial period for each of the schools joining the Trust as an Academy the assets and liabilities at the date of conversion were transferred to the Trust. A net donation of £52,457,794 is included within the Statement of Financial Activities in respect of fixed assets transferring on conversion of each school, in accordance with EFA requirements. Fixed Assets transferred at conversion are included in the Restricted Fixed Asset Fund. All other assets and liabilities, excluding the opening LGPS (Local Government Pension Scheme) deficit position are shown as a net donation within unrestricted funds. The opening LGPS liability is shown as "Transfers of FRS 17 deficits from Local Authorities" and amounted to £2,963,000.

During the year ended 31st August 2013 the Trust received total income, including capital income, of £57,857,224, of which £1,431,799 was unrestricted income

Total expenditure for the period to 31st August 2013 was £5,350,967, of which

- Staff costs of £3,420,588. represented 63.9% of total expenditure
- Premises costs of £374,992 represented 7.0% of total expenditure

Net incoming resources for the financial year ended 31st August 2013 excluding both the transfers of FRS 17 deficits from Local Authorities and the transfers on conversion for the financial year amounted to £48,463.

#### **Investment policy**

The Directors currently have no formal investment policy except that no speculative or investments that may put the Trust's funds at risk are permitted. The Trust is currently working with its bankers (Barclays PLC) to develop a process for placing surplus funds held in individual Academy accounts on deposit.

#### **Reserves policy**

The trustees review the level of reserves held on an annual basis. This review will encompass the level and sustainability of current and future income streams, the need to match income with commitments, and the adequacy of reserves. The Trust's current level of reserves, both restricted and unrestricted, is as shown with the financial statements - see note

The trustees have not so far set a minimum level for the free reserves that should be maintained by the Trust or its individual Academies. There is, however, a clear expectation that reserves will be maintained at a level sufficient to cover delays between spending and receipt of grants and to provide a contingency to deal with unexpected emergencies.

The Trust also maintains one further fund, the LGPS fund. This represents the charitable company's share of the surplus or deficit of the Cambridgeshire CC and Suffolk CC pension funds, calculated in accordance with FRS17. Further details of the calculations and assumptions underlying the balance on this fund are set out in the financial statements.

### **FUTURE DEVELOPMENTS**

The Trust opened Chesterton Primary School in Cambridge on September 1st and the Department for Education has confirmed that the Active Learning Trust is now an approved sponsor for schools in Cambridgeshire and Suffolk. Further to this, ALT is in negotiations with a further two schools in Lowestoft and has been asked to consider additional schools in Ipswich.

In terms of the Trust's work for other schools and trusts, we continue to seek potential work that is in line with our approved memorandum and articles of association, but the amount of work is likely to be lower than in previous years due to the increased number of schools likely to join the Trust.



# **THE ACTIVE LEARNING TRUST LIMITED**

## **REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2013**

### **FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES**

Our objectives are to ensure that all schools across the Trust, and the Trust itself, has policies and procedures in place that are clear and easily understood and implemented. During this first year of operation we have worked with our partner, Handsam Ltd, to provide model health and safety policies both for the Trust and for each individual school to implement locally. In addition to those policies, we have provided a range of policies across human resources, finance and procurement that are designed to ensure that all schools work in ways commensurate with their legal responsibilities and in ways which secure the financial position of the Trust.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

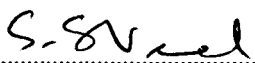
The Trust operates a risk register which is reviewed and updated regularly and reported to the Trust's Audit Committee and then onto the Trust Board. In terms of risks, we have sought to implement the range of policies to act as countermeasures to those risks as well as maintaining effective communication across the Trust and its schools to ensure that risks are minimised.

Our uncertainties relate primarily to the timing of schools joining the Trust, which is outside of the Trust's decision making and the potential impact on budgets both by fluctuations in pupil numbers at school level (the main driver of budgets) and changes in the funding scheme for schools. To reduce the impact of these uncertainties we require longer term planning at school level, which provides prudent estimates of pupil numbers and keeping in contact with national proposals around funding. This enables us to make early decisions to protect the financial position of the Trust.

### **AUDITORS**

The auditors, SBM & Co, will be proposed for re-appointment at the forthcoming Annual General Meeting.

### **ON BEHALF OF THE BOARD:**

  
.....

S Steel - Trustee

Date: .....16/12/13.....

## THE ACTIVE LEARNING TRUST LIMITED

### GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2013

#### Scope of Responsibility

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

The board of the trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Active Learning Trust Limited 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 Report of the Trustees and in the Statement of Trustees Responsibilities. The board of trustees has formally met 7 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
S Steel	7	7
C Bush	7	7
M Collin	1	5
D J Hilton	4	6
G P Peile	7	7
J Deakin	5	7
Ms M Toft	4	7
D J Bateson	2	5
Ms M Lloyd	2	5
G Rowney	2	7
M Kerr	1	1
J Beswick	1	1
L Adams	5	7

The board has been strengthened over the course of the year as the Trust itself has grown, following the approval of the funding statement by the Secretary of State. During the year, the Trust Board was expanded by members with extensive experience in the world of education and finance and has a significant range of skills, knowledge and experience available to it.

The finance and general purposes committee is a sub-committee of the main board of trustees. Its purpose is to undertake detailed scrutiny of the Trust's finances and to ensure the Trust's assets are properly secured and maintained. As this is the first year of the Trust's operations, the Committee has been involved in the discussion around processes and procedures, recognising that, as this is the first year, it has been important for the whole Trust board to be involved in finance decision making to ensure all Trustees have clarity in how the Trust is being set up to meet its responsibilities as set out in the Trust's funding statement.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
G Peile	2	2
M Toft	2	2

The audit committee is also a sub-committee of the main board of trustees. Its purpose is as follows:

- Review the risks to internal financial control across the Trust

- Agree and manage a programme of work that will address these risks, inform the statement of internal control and, so far as is possible, provide assurance to the external auditors.

## THE ACTIVE LEARNING TRUST LIMITED

### GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2013

The Committee has delegated responsibility for the overall detailed scrutiny of the Trust's finances and its work informs this annual statement.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
S Steel	2	2
L Adams	2	2
M Kerr	1	1

The Remuneration and Personnel committee is also a sub-committee of the Trust Board. Its purpose is to recommend to the Board the framework or broad policy for the remuneration of the Company's Chief Executive, Chair, the Executive Directors, and the Company Secretary.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
D Bateson (appointed 5/12/2012)	0	3
M Collin (resigned 27/02/2013)	2	2
J Deakin	5	5
S Steel (resigned 5/12/2012)	0	2
M Toft (appointed 25/03/2013)	3	3

#### **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 Active Learning Trust for the period 1 September 2012 to 31 August 2013 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 1st September 2012 to 31 August 2013 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 board of trustees has considered the need for a specific internal audit function and has decided:

- to appoint Caton Fry and Co Ltd as internal auditor

**THE ACTIVE LEARNING TRUST LIMITED**

**GOVERNANCE STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2013**

**The Risk and Control Framework**

- The Internal Auditors role includes giving advice on financial matters and performing a range of checks on the individual school and academy trust's financial systems. The Internal auditors report their findings to the Audit Committee and the chair of that Committee then reports on that work as part of the report back to the Trust Board.
- During the course of the first year of operation, the internal audit workload included completing a report on the Neale-Wade Academy which had a satisfactory outcome. The internal audit workload also included support on the establishment of systems across the Trust including ensuring systems of accounting met the requirements laid down by HMRC for the Trust's VAT returns.

**Review of Effectiveness**

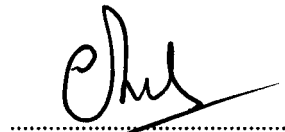
As accounting officer, the Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditors;
- the work of the external auditor;
- the financial management and governance self-assessment process, including the schemes of delegation operating across the Trust and in schools and
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and by the senior executive team and a process of continued assessment ensures that the workplan for the Trust ensures continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on.....20/12/2013..... and signed on its behalf by:

  
S Steel - Trustee

  
Mr Clive Bush - Accounting Officer


**THE ACTIVE LEARNING TRUST LIMITED**

**STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2013**

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

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.



.....  
Mr Clive Bush - Accounting Officer

Date: 19/12/13.....

## THE ACTIVE LEARNING TRUST LIMITED

### STATEMENT OF TRUSTEES RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2013

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 academy trust will continue in business.

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

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

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the academy trust's website.

**ON BEHALF OF THE BOARD:**



S Steel - Trustee

Date: 16/12/13

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE ACTIVE LEARNING TRUST LIMITED**

We have audited the financial statements of The Active Learning Trust Limited for the year ended 31 August 2013 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Accounts Direction 2013 issued by the Education Funding Agency (EFA).

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

### **Respective responsibilities of trustees and auditors**

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

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

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 issued by the EFA.

### **Other Matter**

The financial statements of The Active Learning Trust Limited for the period ended 31 August 2012 were not required to be audited but were subject to an Independent Examination, and therefore the corresponding figures are unaudited.

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

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

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
THE ACTIVE LEARNING TRUST LIMITED**

**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.



Stephen McAlpine FCA (Senior Statutory Auditor)  
for and on behalf of SBM & Co  
24 Wandsworth Road  
London  
SW8 2JW

Date: ..... **20 DEC 2013**

**Note:**

The maintenance and integrity of the The Active Learning Trust Limited website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.



## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE ACTIVE LEARNING TRUST LIMITED AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Active Learning Trust Limited during the period 1 September 2012 to 31 August 2013 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 Active Learning Trust Limited and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Active Learning Trust Limited and 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 Active Learning Trust Limited and the EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of The Active Learning Trust Limited's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Active Learning Trust Limited's funding agreement with the Secretary of State for Education and the Academies Financial Handbook, extant from 1 September 2012, 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 2013. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2012 to 31 August 2013 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 2013 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matter 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.

### **Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2012 to 31 August 2013 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



SBM & Co  
24 Wandsworth Road  
London  
SW8 2JW

Date: ..... **20 DEC 2013**

**THE ACTIVE LEARNING TRUST LIMITED**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

					Year Ended 31/8/13	Period 9/1/12 to 31/8/12
	Not es	Unrestricted fund £'000	Restricted funds £'000	Restricted Fixed Asset Fund £'000	Total funds £'000	Total funds £'000
<b>INCOMING RESOURCES</b>						
<b>Incoming resources from generated funds</b>						
Voluntary income	2	1	-	-	1	-
Voluntary income - Transfer from Local Authority on conversion	20	1,036	-	51,422	52,458	-
Activities for generating funds	3	216	-	-	216	-
<b>Incoming resources from charitable activities</b>						
Academy's educational operations	4	176	4,919	61	5,156	39
<b>Other incoming resources</b>		<u>2</u>	<u>23</u>	<u>-</u>	<u>25</u>	<u>-</u>
<b>Total incoming resources</b>		1,431	4,942	51,483	57,856	39
<b>RESOURCES EXPENDED</b>						
<b>Costs of generating funds</b>						
Fundraising trading: cost of goods sold and other costs	6	24	-	-	24	-
<b>Charitable activities</b>						
Academy's educational operations	7	270	4,664	283	5,217	38
<b>Governance costs</b>	8	<u>42</u>	<u>66</u>	<u>-</u>	<u>108</u>	<u>1</u>
<b>Total resources expended</b>	5	<u>336</u>	<u>4,730</u>	<u>283</u>	<u>5,349</u>	<u>39</u>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>						
		1,095	212	51,200	52,507	-
Transfers of FRS 17 deficits from Local Authorities		<u>-</u>	<u>(2,963)</u>	<u>-</u>	<u>(2,963)</u>	<u>-</u>
<b>Net income/(expenditure)</b>		1,095	(2,751)	51,200	49,544	-

The notes form part of these financial statements

**THE ACTIVE LEARNING TRUST LIMITED**

**STATEMENT OF FINANCIAL ACTIVITIES - CONTINUED  
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)  
FOR THE YEAR ENDED 31 AUGUST 2013**

				<b>Year Ended</b>	<b>Period</b>
				<b>31/8/13</b>	<b>9/1/12</b>
			<b>Restricted</b>	<b>Total</b>	<b>Total</b>
			<b>Fixed Asset</b>	<b>funds</b>	<b>funds</b>
			<b>Fund</b>		
			<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
	<b>Unrestricted</b>	<b>Restricted</b>			
	<b>fund</b>	<b>funds</b>			
	<b>£'000</b>	<b>£'000</b>			
	<b>Not</b>				
	<b>es</b>				
<b>RECONCILIATION OF FUNDS</b>					
<b>Total funds brought forward</b>	-	-	-	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u>1,095</u>	<u>(2,751)</u>	<u>51,200</u>	<u>49,544</u>	<u>-</u>

**CONTINUING OPERATIONS**

All activities except educational consultancy income derive from acquisitions in the current year.

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

**THE ACTIVE LEARNING TRUST LIMITED (REGISTERED NUMBER: 07903002)**

**BALANCE SHEET  
AT 31 AUGUST 2013**

					<b>2013</b>	<b>2012</b>
		<b>Unrestricted fund</b>	<b>Restricted funds</b>	<b>Restricted Fixed Asset Fund</b>	<b>Total funds</b>	<b>Total funds</b>
	<b>Notes</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>FIXED ASSETS</b>						
Tangible assets	12	2	-	51,139	51,141	-
<b>CURRENT ASSETS</b>						
Debtors	13	741	-	-	741	39
Cash at bank		<u>876</u>	<u>489</u>	<u>62</u>	<u>1,427</u>	<u>1</u>
		1,617	489	62	2,168	40
<b>CREDITORS</b>						
Amounts falling due within one year	14	(522)	(192)	-	(714)	(40)
<b>NET CURRENT ASSETS</b>		<u>1,095</u>	<u>297</u>	<u>62</u>	<u>1,454</u>	<u>-</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		1,097	297	51,201	52,595	-
<b>PENSION LIABILITY</b>	17	-	(3,051)	-	(3,051)	-
<b>NET ASSETS</b>		<u>1,097</u>	<u>(2,754)</u>	<u>51,201</u>	<u>49,544</u>	<u>-</u>
<b>FUNDS</b>	16					
Unrestricted funds:						
General fund					1,097	-
Restricted funds:						
Restricted Fixed Asset Fund					51,139	-
Pension reserve					(3,051)	-
DfE/EFA capital grants					62	-
Start Up Grant					<u>297</u>	<u>-</u>
					<u>48,447</u>	<u>-</u>
<b>TOTAL FUNDS</b>					<u>49,544</u>	<u>-</u>

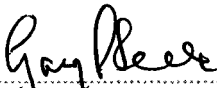
The notes form part of these financial statements

BALANCE SHEET - CONTINUED  
AT 31 AUGUST 2013

The financial statements were approved by the Board of Trustees on .....12.12.13..... and were signed on its behalf by:



.....  
C Bush -Trustee



.....  
G P Peile -Trustee

**THE ACTIVE LEARNING TRUST LIMITED**

**CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2013**

		<b>Year Ended</b>	<b>Period</b>
		<b>31/8/13</b>	<b>9/1/12</b>
		<b>£'000</b>	<b>to</b>
	<b>Notes</b>		<b>31/8/12</b>
			<b>£'000</b>
<b>Net cash inflow from operating activities</b>	<b>1</b>	<b>330</b>	<b>1</b>
<b>Cash transferred on conversion to an academy</b>	<b>20</b>	<b>1,036</b>	<b>-</b>
<b>Capital expenditure and financial investment</b>	<b>2</b>	<b>60</b>	<b>-</b>
		<u>          </u>	<u>          </u>
<b>Increase in cash in the period</b>		<b><u>1,426</u></b>	<b><u>1</u></b>
<hr/>			
<b>Reconciliation of net cash flow to movement in net debt</b>	<b>3</b>		
Increase in cash in the period		<u>1,426</u>	<u>1</u>
Change in net debt resulting from cash flows		<u>1,426</u>	<u>1</u>
<b>Movement in net debt in the period</b>		<b>1,426</b>	<b>1</b>
<b>Net debt at 1 September</b>		<u>1</u>	<u>-</u>
<b>Net debt at 31 August</b>		<b><u>1,427</u></b>	<b><u>1</u></b>

All of the cash flows are derived from acquisitions in the current year.

**THE ACTIVE LEARNING TRUST LIMITED**

**NOTES TO THE CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31 AUGUST 2013**

**1. RECONCILIATION OF NET INCOMING RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>Year Ended</b>	Period
	<b>31/8/13</b>	9/1/12
	<b>£'000</b>	to
		31/8/12
		£'000
Net incoming resources	52,507	-
Depreciation charges	283	-
Capital grants from DfE/EFA	(62)	-
Tangible assets inherited on conversion	(52,458)	-
Increase in debtors	(702)	(39)
Increase in creditors	674	40
Difference between pension charge and cash contributions	<u>88</u>	<u>-</u>
<b>Net cash inflow from operating activities</b>	<b><u>330</u></b>	<b><u>1</u></b>

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

	<b>Year Ended</b>	Period
	<b>31/8/13</b>	9/1/12
	<b>£'000</b>	to
		31/8/12
		£'000
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(2)	-
Capital grants from DfE/EFA	<u>62</u>	<u>-</u>
<b>Net cash inflow for capital expenditure and financial investment</b>	<b><u>60</u></b>	<b><u>-</u></b>

**3. ANALYSIS OF CHANGES IN NET DEBT**

	<b>At 1/9/12</b>	<b>Cash flow</b>	<b>At 31/8/13</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Net cash:			
Cash at bank	1	1,426	1,427
	<u>1</u>	<u>1,426</u>	<u>1,427</u>
<b>Total</b>	<b><u>1</u></b>	<b><u>1,426</u></b>	<b><u>1,427</u></b>

# THE ACTIVE LEARNING TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2013

### 1. ACCOUNTING POLICIES

#### **Accounting convention**

The financial statements have been prepared under the historical cost convention, and in accordance with applicable accounting standards the Companies Act 2006, the requirements of the Statement of Recommended Practice Accounting and Reporting by Charities and the Academies Accounts Directions issued by the EFA.

#### **Incoming resources**

All incoming resources are included on the Statement of Financial Activities when the academy trust is legally entitled to the income and the amount can be quantified with reasonable accuracy.

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.

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

Donations are recognised on a receivable basis where there is certainty of receipt and the amount can be reliably measured. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

#### **Resources expended**

All expenditures 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.

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

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

All resources expended are inclusive of irrecoverable VAT.

#### **Charitable activities**

These are costs incurred on the charity's educational operations.

#### **Governance costs**

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



# THE ACTIVE LEARNING TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2013

### 1. ACCOUNTING POLICIES - continued

#### **Tangible fixed assets**

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. 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.

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 in the Statement of Financial Activities.

#### **Taxation**

The Active Learning Trust Limited 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.

#### **Fund accounting**

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department of Education 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.

Investment income, gains and losses are allocated to the appropriate fund.

# THE ACTIVE LEARNING TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2013

### 1. ACCOUNTING POLICIES - continued

#### Pension costs and other post-retirement benefits

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employee's working lives with the academy 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. The TP is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy 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 services costs and gains and losses on the 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 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.

#### Conversion to an academy trust

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

The assets and liabilities transferred on conversion from The Neale-Wade Community College, Burrowmoor Primary School, Whitton Green Primary School and Gusford Primary School into the 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. The fair value is in accordance with the accounting policies set out for academy. 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.

The land and buildings are held on a 125 year lease as detailed in the fixed asset note to the financial statements.

### 2. VOLUNTARY INCOME

			Year Ended 31/8/13	Period 9/1/12 to 31/8/12
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Total funds £'000
Gifts	1	-	1	-
Voluntary income – Transfer from Local Authority on conversion	<u>1,036</u>	<u>51,422</u>	<u>52,458</u>	<u>-</u>
	<u>1,037</u>	<u>51,422</u>	<u>52,459</u>	<u>-</u>

**THE ACTIVE LEARNING TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2013**

**3. ACTIVITIES FOR GENERATING FUNDS**

			<b>Year Ended 31/8/13</b>	<b>Period 9/1/12 to 31/8/12</b>
	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total funds £'000</b>	<b>Total funds £'000</b>
Fundraising events	87	-	87	-
Hire of facilities	29	-	29	-
Catering income	94	-	94	-
Music services income	<u>6</u>	<u>-</u>	<u>6</u>	<u>-</u>
	<u>216</u>	<u>-</u>	<u>216</u>	<u>-</u>

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

			<b>Year Ended 31/8/13</b>	<b>Period 9/1/12 to 31/8/12</b>
	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total funds £'000</b>	<b>Total funds £'000</b>
Sixth form partnership income	14	-	14	-
Educational consultancy	162	-	162	39
Grants	<u>-</u>	<u>4,980</u>	<u>4,980</u>	<u>-</u>
	<u>176</u>	<u>4,980</u>	<u>5,156</u>	<u>39</u>

**THE ACTIVE LEARNING TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2013**

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

An analysis of grants received is given below:

			<b>Year Ended 31/8/13</b>	<b>Period 9/1/12 to 31/8/12</b>
	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total funds £'000</b>	<b>Total funds £'000</b>
<b>DfE/EFA revenue grant</b>				
General Annual Grant(GAG)	-	3,793	3,793	-
Other DfE/EFA grants	-	91	91	-
Start up grants	-	666	666	-
	-	4,550	4,550	-
<b>DfE/EFA capital grant</b>				
DfE Capital Grant	-	62	62	-
<b>Other government grant</b>				
Local Authority grants	-	333	333	-
Pre-opening Contingency	-	35	35	-
	-	368	368	-
	-	4,980	4,980	-

**5. RESOURCES EXPENDED**

				<b>Year Ended 31/8/13</b>	<b>Period 9/1/12 to 31/8/12</b>
	<b>Staff costs £'000</b>	<b>Non-pay expenditure Premises £'000</b>	<b>Other costs £'000</b>	<b>Total £'000</b>	<b>Total £'000</b>
<b>Costs of generating funds</b>					
Fundraising trading: cost of goods sold and other costs	-	-	24	24	-
<b>Charitable activities</b>					
<b>Academy's educational operations</b>					
Direct costs	2,675	-	820	3,495	32
Allocated support costs	743	490	489	1,722	6
	3,418	490	1,333	5,241	38

**THE ACTIVE LEARNING TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2013**

**5. RESOURCES EXPENDED - continued**

Net resources are stated after charging/(crediting):

	<b>Year Ended</b>	Period
	<b>31/8/13</b>	9/1/12
	<b>£'000</b>	to
		31/8/12
		<b>£'000</b>
Auditors' remuneration	7	-
Depreciation - owned assets	<u>283</u>	<u>-</u>

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

	<b>Year Ended</b>	Period
	<b>31/8/13</b>	9/1/12
	<b>Total</b>	to
	<b>funds</b>	31/8/12
	<b>£'000</b>	Total
		<b>funds</b>
		<b>£'000</b>
Sports centre costs	<u>24</u>	<u>-</u>

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

	<b>Year Ended</b>	Period
	<b>31/8/13</b>	9/1/12
	<b>Total</b>	to
	<b>funds</b>	31/8/12
	<b>£'000</b>	Total
		<b>funds</b>
		<b>£'000</b>
<b>Direct costs</b>		
Teaching and educational support staff	-	2,675
Technology costs	26	274
Educational supplies	-	59
Examination fees	-	74
Staff development	-	9
Educational consultancy	80	222
Other direct costs	-	12
Interest cost	<u>-</u>	<u>64</u>
	106	3,389
		3,495
		32
<b>Allocated support costs</b>		
Support staff costs	-	743
Depreciation	-	283
Technology costs	97	32
Recruitment and support	4	78
Maintenance of premises and equipment	62	81
Cleaning	-	156
Marketing, advertising Marketing,		
advertising & set-up	-	57
Security and transport	-	49
Catering	<u>-</u>	<u>80</u>
	163	1,559
		1,722
		6

**THE ACTIVE LEARNING TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2013**

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

			Year Ended 31/8/13	Period 9/1/12 to 31/8/12
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Total funds £'000
	269	4,948	5,217	38

**8. GOVERNANCE COSTS**

			Year Ended 31/8/13	Period 9/1/12 to 31/8/12
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Total funds £'000
Accountancy	8	10	18	1
Auditors' remuneration	7	-	7	-
Legal & professional fees	27	55	82	-
HR & payroll services	-	1	1	-
	<u>42</u>	<u>66</u>	<u>108</u>	<u>1</u>

**9. TRUSTEES' REMUNERATION AND BENEFITS**

Certain trustees received payments in respect of consultancy work undertaken on behalf of the trust, as disclosed in the "Related Party Transactions" Note to the financial statements. These payments reflected the need to pay staff trustees on this temporary basis prior to the Secretary of State's agreement to the Master Funding Agreement in April 2013. From that date these staff shown became employees of the Trust and were paid through our payroll provider, as shown below.

The value of staff trustees' remuneration (which related to the period from 4 April 2013 to 31 August 2013) was as follows:

Mr G Peile - £34,472  
Mr C Bush - £36,500  
Mr D Hilton - £4,694

**Trustees' expenses**

During the year ended 31 August 2013, expenses totalling £17,595 were reimbursed to seven trustees, consisting of travel and subsistence expenses of £16,866, office costs of £596 and mobile phone costs of £132.

**THE ACTIVE LEARNING TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2013**

**10. STAFF COSTS**

	<b>Year Ended</b>	Period
	<b>31/8/13</b>	9/1/12
	<b>£'000</b>	to
		31/8/12
		<b>£'000</b>
Wages and salaries	2,787	-
Social security costs	187	-
Other pension costs	<u>444</u>	<u>-</u>
	<u><u>3,418</u></u>	<u><u>-</u></u>

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

	<b>Year Ended</b>	Period
	<b>31/8/13</b>	9/1/12
		to
		31/8/12
Teaching	171	-
Administration & support	157	-
Management	<u>4</u>	<u>-</u>
	<u><u>332</u></u>	<u><u>-</u></u>

No employees received emoluments in excess of £60,000.

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

In accordance with normal commercial practice the Trust has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £2,000,000 on any one claim. The cost for the year ended 31 August 2013 was included in the Trust's overall insurance premium and was separately differentiated.

**12. TANGIBLE FIXED ASSETS**

	<b>Long leasehold £'000</b>	<b>Fixtures and fittings £'000</b>	<b>Computer equipment £'000</b>	<b>Totals £'000</b>
<b>COST</b>				
Additions	<u>50,291</u>	<u>607</u>	<u>526</u>	<u>51,424</u>
 <b>DEPRECIATION</b>				
Charge for year	<u>134</u>	<u>37</u>	<u>112</u>	<u>283</u>
 <b>NET BOOK VALUE</b>				
At 31 August 2013	<u><u>50,157</u></u>	<u><u>570</u></u>	<u><u>414</u></u>	<u><u>51,141</u></u>
At 31 August 2012	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

**THE ACTIVE LEARNING TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2013**

**12. TANGIBLE FIXED ASSETS - continued**

Included in long-term leasehold property is land at valuation of £10,292,000 which is not depreciated. On conversion to academy status the trust's academies have been granted the use of the site each academy occupies. The lease term is for 125 years or until such time as the sites are not used for running each academy, at which point the land reverts back to the lessor. The risks and rewards of ownership, having transferred to the trust, of the land and buildings of each academy are included as a donation in kind for the period at their gross value at conversion of £50,291,000. The land and buildings were valued by Lambert Smith Hampton (members of the Royal Institute of Chartered Surveyors) at fair value.

**13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2013</b>	2012
	<b>£'000</b>	£'000
Trade debtors	273	32
Other debtors	357	-
VAT	111	-
Prepayments and accrued income	<u>-</u>	<u>7</u>
	<u><b>741</b></u>	<u><b>39</b></u>

**14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>2013</b>	2012
	<b>£'000</b>	£'000
Trade creditors	104	38
Social security and other taxes	178	-
Other creditors	210	1
Accruals and deferred income	<u>222</u>	<u>1</u>
	<u><b>714</b></u>	<u><b>40</b></u>

**15. OPERATING LEASE COMMITMENTS**

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

	<b>Other operating leases</b>	
	<b>2013</b>	2012
	<b>£'000</b>	£'000
Expiring:		
Between one and five years	<u><b>1</b></u>	<u><b>-</b></u>



**THE ACTIVE LEARNING TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2013**

**16. MOVEMENT IN FUNDS**

	At 1/9/12 £'000	Net movement in funds £'000	At 31/8/13 £'000
<b>Unrestricted funds</b>			
General fund	-	1,097	1,097
<b>Restricted funds</b>			
Restricted Fixed Asset Fund	-	51,139	51,139
Pension reserve	-	(3,051)	(3,051)
DfE/EFA capital grants	-	62	62
Start Up Grant	-	297	297
	-	48,447	48,447
<b>TOTAL FUNDS</b>	-	49,544	49,544

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

	Incoming resources £'000	Resources expended £'000	Gains and losses £'000	Movement in funds £'000
<b>Unrestricted funds</b>				
General fund	1,431	(334)	-	1,097
<b>Restricted funds</b>				
Restricted Fixed Asset Fund	51,422	(283)	-	51,139
Pension reserve	22	(110)	(2,963)	(3,051)
General Annual Grant (GAG)	3,791	(3,791)	-	-
Other DfE/EFA grants	92	(92)	-	-
Other government grants	368	(368)	-	-
DfE/EFA capital grants	62	-	-	62
Start Up Grant	668	(371)	-	297
	56,425	(5,015)	(2,963)	48,447
<b>TOTAL FUNDS</b>	57,856	(5,349)	(2,963)	49,544

**THE ACTIVE LEARNING TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2013**

**16. MOVEMENT IN FUNDS - continued**

Under the funding agreement with the Secretary of State, the academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013.

**Analysis of academies by fund balance**

Fund balances at 31 August 2013 were allocated as follows:

	<b>Total £'000</b>
The Neale-Wade Academy	936
Burrowmoor Academy	140
Westwood Academy	94
Gusford Primary School	220
Central services	<u>66</u>
	1,456
Restricted fixed asset fund	51,139
Pension reserve	<u>(3,051)</u>
Total	<u><u>49,544</u></u>

**Analysis of academies by cost**

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

	Teaching and Educational Support Staff £'000	Other Support Staff Costs £'000	Educational Supplies £'000	Other costs (excluding Depreciation) £'000	Total £'000
The Neale-Wade Academy	2,317	435	206	713	3,671
Burrowmoor Academy	234	38	-	16	288
Westwood Academy	28	23	-	4	55
Gusford Primary School	87	51	10	31	179
Central Services	<u>          </u>	<u>161</u>	<u>187</u>	<u>283</u>	<u>631</u>
	<u>2,666</u>	<u>708</u>	<u>403</u>	<u>1,047</u>	<u>4,824</u>

**17. PENSION AND SIMILAR OBLIGATIONS**

The 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. Both are defined benefit schemes.

The LGPS is managed by Cambridgeshire Pension Fund and Suffolk Pension Fund. The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2004 and the LGPS 31 March 2011.

Outstanding contributions payable to the scheme as at 31 August 2013 amounted to £nil (2012: £nil).

## THE ACTIVE LEARNING TRUST LIMITED

### NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2013

#### 17. PENSION AND SIMILAR OBLIGATIONS - continued

##### Teachers' pension scheme

The Teachers' Pension Scheme ("TPS") is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010.

Although teachers and lecturers are employed by various bodies, their retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay-as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

##### Valuation of the Teachers' Pension Scheme

The Government Actuary ("GA"), using normal actuarial principles, conducts formal actuarial reviews of the TPS. The aim of the reviews is to specify the level of future contributions.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate ("SCR") is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 - 31 March 2004. The GA's report of October 2006 revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £166,500 millions. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £163,240 millions. The assumed real rate of return is 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 1.5%. The assumed gross rate of return is 6.5%.

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced - effective for the first time for the 2008 valuation - a 14% cap on employer contributions payable.

From 1 April 2012 to 31 March 2013, the employee contribution rate will range between 6.4% and 8.8%, depending on a member's Full Time Equivalent salary. Further changes to the employee contribution rate will be applied in 2013-14 and 2014-15.

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

# THE ACTIVE LEARNING TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2013

### 17. PENSION AND SIMILAR OBLIGATIONS - continued

#### Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall just outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40:80:100% basis.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy trust has taken advantage of the exemption in FRS 17 and 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 defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2013 was £183,000, of which employer's contributions totalled £141,000. The agreed contribution rate for future years are variable based on pay. The projected pension expense for the year ending 31 August 2014 amounts to £772,000.

As described in note 1 the LGPS obligation relates to the employees of the trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible, 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.

The funds that the charitable company is part of are the Cambridgeshire Pension Fund and the Suffolk County Council Pension Fund.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2013	2012
	£'000	£'000
Present value of funded obligations	(4,969)	-
Fair value of plan assets	<u>1,918</u>	<u>-</u>
	<u>(3,051)</u>	<u>-</u>
Deficit	<u>(3,051)</u>	<u>-</u>
Liability	<u>(3,051)</u>	<u>-</u>

**THE ACTIVE LEARNING TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2013**

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

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

	<b>Defined benefit pension plans</b>	
	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost	188	-
Interest cost	64	-
Expected return	<u>(23)</u>	<u>-</u>
	<u>229</u>	<u>-</u>
Actual return on plan assets	<u>(1)</u>	<u>-</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of Total Recognised Gains and Losses was £nil.

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

	<b>Defined benefit pension plans</b>	
	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Defined benefit obligation	(4,699)	-
Current service cost	(188)	-
Contributions by scheme participants	(42)	-
Interest cost	(64)	-
Actuarial losses/(gains)	<u>24</u>	<u>-</u>
	<u>(4,969)</u>	<u>-</u>

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

	<b>Defined benefit pension plans</b>	
	<b>2013</b>	<b>2012</b>
	<b>£'000</b>	<b>£'000</b>
Fair value of scheme assets	1,736	-
Contributions by employer	141	-
Contributions by scheme participants	42	-
Expected return	23	-
Actuarial gains/(losses)	<u>(24)</u>	<u>-</u>
	<u>1,918</u>	<u>-</u>

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

**Defined benefit pension plans**

	<b>2013</b>	<b>2012</b>
Equities	69%	0%
Bonds	18%	0%
Property	8%	0%
Cash	5%	0%

**THE ACTIVE LEARNING TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2013**

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

The principal average actuarial assumptions at the balance sheet date (expressed as weighted averages)

	<b>2013</b>	2012
Discount rate	4.6%	0%
Expected return on scheme assets	5.9%	0%
Future salary increases	5.1%	0%
Future pension increases	2.8%	0%

Average salary increases are assumed to be 1% p.a. until 31 March 2015 reverting to the long term assumption shown thereafter.

Breakdown of the average expected return on assets by category is as follows:

Period Ended	<b>31 August 2013</b>	31 August 2012
	<b>% p.a.</b>	% p.a.
Equities	<b>6.7%</b>	0.0%
Bonds	<b>4.1%</b>	0.0%
Property	<b>4.7%</b>	0.0%
Cash	<b>3.6%</b>	0.0%

**Mortality**

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

	Males	Females
Current pensioners	21.2 years	23.5 years
Future pensioners*	23.3 years	25.7 years

\* Figures assume members aged 45 as the last formal valuation date

**Historic mortality**

Life expectancies for the prior period end are based on the SAPS tables. The allowance for future life expectancies are shown below.

Period Ended	Prospective Pensioners	Pensioners
1 April 2013	year of birth, medium cohort and 1% p.a. minimum improvements from 2007	year of birth, medium cohort and 1% p.a. minimum improvements from 2007

Mortality loadings were applied to the SAPS tables based on membership class.

Please note that the mortality assumptions used at the date the trust joined the Fund and the accounting period end are identical.

**Commutation**

An allowance is included for future retirements to elect to take 25% of the maximum additional tax-free cash up to HMRC limits for pre-April 2008 service and 63% of the maximum tax-free cash for post-April 2008 service.

Amounts for the current and previous period are as follows:

	<b>2013</b>	2012
	<b>£'000</b>	£'000
<b>Defined benefit pension plans</b>		
Defined benefit obligation	(4,969)	-
Fair value of scheme assets	1,918	-
Deficit	(3,051)	-
Experience adjustments on scheme assets	(24)	-

# THE ACTIVE LEARNING TRUST LIMITED

## NOTES TO THE FINANCIAL STATEMENTS - CONTINUED FOR THE YEAR ENDED 31 AUGUST 2013

### 18. RELATED PARTY DISCLOSURES

The consultancy payments shown to trustees in this report reflect the need to pay staff trustees on a temporary basis prior to the Secretary of State's agreement to the Master Funding Agreement in April 2013. From that date these staff shown became employees of the Trust and were paid through our payroll provider, as shown in the note "Trustees' Remuneration and Benefits."

The payments to Marilyn Toft and Dr Jeff Deakin relate to specific work where their expertise was invaluable to carry out work for the Trust and in order to meet specific needs of the trust and schools at the time.

During the year the Trust incurred consultancy expenditure to related parties, as follows. Such payments were incurred only up to 5 April 2013.

- Peileconsulting Ltd, a company in which the Trustee Mr G Peile is a director: £54,275 (2012: £6,600.) The balance due to Peileconsulting Ltd at 31 August 2013 amounted to £nil (2012: £6,600.)

- Heskett Education Ltd, a company in which the Trustee Mr C Bush is a director: £45,700 (2012: £2,600.) The balance due to Heskett Education Ltd at 31 August 2013 amounted to £nil (2012: £2,600.)

- Jan Steel Consultancy, a business owned by Mrs J Steel, the wife of the Trustee Mr S Steel: £62,201 (2012: £20,400.) The balance due to Jan Steel Consultancy at 31 August 2013 amounted to £nil (2012: £20,400.)

- Hilton Education Ltd, a company in which the Trustee Mr D Hilton is a director: £21,240. The balance due to Hilton Education Ltd at 31 August 2013 amounted to £nil (2012: £nil).

- SLBA Ltd, a company in which the Trustee Marilyn Toft is a director, £27,143 (2012: £nil). The balance due to SLBA Ltd at 31 August 2013 amounted to £nil (2012: £nil).

- Trustee Jeff Deakin (for consultancy services) £1,404 (2012: £nil)

The balances owed to Trustees Mr G Peile, Mr C Bush and Mr S Steel as at 31 August 2013 amounted to £nil (2012: £250 owed to each Trustee). The loans were originally made to meet expenses for the set-up of the trust.

### 19. CENTRAL SERVICES

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

- human resources
- financial services
- legal services
- school improvement services

The trust charges for these services on the following basis:

a flat charge of income at 4% of all GAG-related income

The actual amounts charged during the year were as follows:

	£'000
Neal-Wade Academy	123
Burrowmoor Primary	9
Gusford Primary	7
Westwood Primary	3
	<hr/>
	142

**THE ACTIVE LEARNING TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2013**

**20. CONVERSION TO AN ACADEMY**

On 1 April 2013, the Neale-Wade Community College converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Active Learning Trust Ltd from the Cambridgeshire County Council 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 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 SOFA.

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total £'000
Tangible fixed assets				
Freehold/leasehold land & buildings			36,403	36,403
Other tangible fixed assets			759	759
Budget surplus on LA funds	419			419
LGPS pension deficit		(2,167)		(2,167)
Net assets	<u>419</u>	<u>(2,167)</u>	<u>37,162</u>	<u>35,414</u>

The above net assets include £418,838 as cash transferred.

On 1 July 2013, Burrowmoor Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Active Learning Trust Ltd from the Cambridgeshire County Council 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 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 SOFA.

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total £'000
Tangible fixed assets				
Freehold/leasehold land & buildings			4,902	4,902
Other tangible fixed assets			83	83
Budget surplus on LA funds	145			145
LGPS pension deficit		(406)		(406)
Net assets	<u>145</u>	<u>(406)</u>	<u>4,985</u>	<u>4,724</u>

The above net assets include £144,565 as cash transferred.

On 1 August 2013, Gusford Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Active Learning Trust Ltd from Suffolk County Council for £nil consideration.



**THE ACTIVE LEARNING TRUST LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS - CONTINUED  
FOR THE YEAR ENDED 31 AUGUST 2013**

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 SOFA.

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total £'000
Tangible fixed assets				
Freehold/leasehold land & buildings			5,794	5,794
Other tangible fixed assets			49	49
Budget surplus on LA funds	206			206
LGPS pension deficit		(278)		(278)
	<hr/>	<hr/>	<hr/>	<hr/>
Net assets	206	(278)	5,843	5,771
	<hr/>	<hr/>	<hr/>	<hr/>

The above net assets include £206,000 as cash transferred.

On 1 August 2013, Whitton Green Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Active Learning Trust Ltd from the Suffolk County Council 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 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 SOFA.

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total £'000
Tangible fixed assets				
Freehold/leasehold land & buildings			3,192	3,192
Other tangible fixed assets			22	22
Budget surplus on LA funds	59			59
LGPS pension deficit		(112)		(112)
	<hr/>	<hr/>	<hr/>	<hr/>
Net assets	59	(112)	3,214	3,161
	<hr/>	<hr/>	<hr/>	<hr/>

The above net assets include £58,749 as cash transferred.

**THE ACTIVE LEARNING TRUST LIMITED**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

			Year Ended 31/8/13	Period 9/1/12 to 31/8/12
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Total funds £'000
<b>INCOMING RESOURCES</b>				
<b>Voluntary income</b>				
Gifts	1	-	1	-
Transfer from Local Authority on conversion	<u>1,036</u>	<u>51,422</u>	<u>52,458</u>	<u>-</u>
	1,037	51,422	52,459	-
<b>Activities for generating funds</b>				
Fundraising events	87	-	87	-
Hire of facilities	29	-	29	-
Catering income	94	-	94	-
Music services income	<u>6</u>	<u>-</u>	<u>6</u>	<u>-</u>
	216	-	216	-
<b>Incoming resources from charitable activities</b>				
Sixth form partnership income	14	-	14	-
Educational consultancy	162	-	162	39
Grants	<u>-</u>	<u>4,980</u>	<u>4,980</u>	<u>-</u>
	176	4,980	5,156	39
<b>Other incoming resources</b>				
Expected return on pension scheme assets	-	23	23	-
Contribution from revenue	<u>2</u>	<u>-</u>	<u>2</u>	<u>-</u>
	2	23	25	-
<b>Total incoming resources</b>	1,431	56,425	57,856	39
<b>RESOURCES EXPENDED</b>				
<b>Fundraising trading: cost of goods sold and other costs</b>				
Sports centre costs	24	-	24	-
<b>Charitable activities</b>				
Wages	-	2,225	2,225	-
Social security	-	164	164	-
Pensions	-	286	286	-
Technology costs	25	275	300	-
Educational supplies	-	59	59	-
Examination fees	-	74	74	-
Staff development	-	9	9	-
Educational consultancy	80	222	302	30
Other direct costs	-	12	12	2
Interest on pension scheme liabilities	<u>-</u>	<u>64</u>	<u>64</u>	<u>-</u>
	105	3,390	3,495	32

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**THE ACTIVE LEARNING TRUST LIMITED**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

			Year Ended 31/8/13	Period 9/1/12 to 31/8/12
	Unrestricted funds £'000	Restricted funds £'000	Total funds £'000	Total funds £'000
<b>Governance costs</b>				
Accountancy	8	10	18	1
Auditors' remuneration	7	-	7	-
Legal & professional fees	27	55	82	-
HR & payroll services	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
	42	66	108	1
<b>Support costs</b>				
<b>Management</b>				
Wages	-	29	29	-
Pensions	<u>-</u>	<u>1</u>	<u>1</u>	<u>-</u>
	-	30	30	-
<b>Finance</b>				
Wages	-	378	378	-
Social security	-	22	22	-
Pensions	-	150	150	-
Bank interest & charges	1	1	2	-
Other finance costs	<u>4</u>	<u>-</u>	<u>4</u>	<u>-</u>
	5	551	556	-
<b>Information technology</b>				
Technology costs	1	-	1	-
<b>Human resources</b>				
Recruitment and support	-	11	11	-
Security and transport	<u>-</u>	<u>49</u>	<u>49</u>	<u>-</u>
	-	60	60	-
<b>Premises</b>				
Premises staff wages	-	93	93	-
Social security	-	1	1	-
Pensions	-	5	5	-
Maintenance of premises and equipment	-	81	81	-
Cleaning	-	156	156	-
Energy costs	-	57	57	-
Depn of long leasehold	-	134	134	-
Depn of fixtures & fittings	-	37	37	-
Depn of computer equipment	<u>-</u>	<u>112</u>	<u>112</u>	<u>-</u>
	-	676	676	-
<b>Catering</b>				
Catering staff wages	-	62	62	-
Pensions	-	2	2	-
Catering food/drink	-	77	77	-
Catering equipment/repairs	<u>-</u>	<u>3</u>	<u>3</u>	<u>-</u>
	-	144	144	-

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**THE ACTIVE LEARNING TRUST LIMITED**  
**DETAILED STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2013**

			<b>Year Ended 31/8/13</b>	Period 9/1/12 to 31/8/12
	<b>Unrestricted funds £'000</b>	<b>Restricted funds £'000</b>	<b>Total funds £'000</b>	<b>Total funds £'000</b>
<b>Other support costs</b>				
Office & administration costs	95	31	126	6
Other support costs	-	67	67	-
Voluntary fund expenditure	<u>62</u>	<u>-</u>	<u>62</u>	<u>-</u>
	<u>157</u>	<u>98</u>	<u>255</u>	<u>6</u>
<b>Total resources expended</b>	<u>334</u>	<u>5,015</u>	<u>5,349</u>	<u>39</u>
<b>Net income before gains and losses</b>	1,097	51,410	52,507	-
<b>Realised recognised gains and losses</b>				
Transfers of FRS 17 deficits from Local Authorities	<u>-</u>	<u>(2,963)</u>	<u>(2,963)</u>	<u>-</u>
<b>Net expenditure</b>	<u><u>1,097</u></u>	<u><u>48,447</u></u>	<u><u>49,544</u></u>	<u><u>-</u></u>