

Company Registration No. 07627961 (England and Wales)



# **NONSUCH AND WALLINGTON EDUCATION TRUST**

**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2016**

# NONSUCH AND WALLINGTON EDUCATION TRUST

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# NONSUCH AND WALLINGTON EDUCATION TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Trustees #

A. Hyams-Parish (Chair Of Trustees)  
P. Taylor  
S. Rahman  
A. Clark  
N. Pepper  
T. Graham (resigned 7 March 2016)  
S. Gillett (appointed 1 September 2016)  
J. Burton (Executive Headteacher)

# As described more fully in the Trustees' Report, with effect from 1 September 2015, the company (formerly Nonsuch High School for Girls) commenced operating as a multi-academy trust (Nonsuch & Wallington Education Trust (NWET)). The multi-academy trust operates two schools: Wallington High School for Girls (Wallington) and Nonsuch High School for Girls (Nonsuch). A new constitution came into effect, on 1 September 2015, with the Trustees listed above.

### Members

A. Hyams-Parish  
H. Aumeer  
C. Goostrey  
T. Graham (resigned 7 March 2016)  
D. Evans (appointed 3 March 2016) (Independent Member)

### Executive Team

J. Burton (Executive Headteacher)  
H. Latham (Director of Finance & Operations) (appointed 1 November 2015)  
C. Dickie (Bursar, Nonsuch High School for Girls) (resigned 19 February 2016)

#### For Nonsuch High School for Girls

T. Hartley (Acting Headteacher Nonsuch) (resigned 31 August 2016)  
A. Cavilla (Headteacher Nonsuch) (appointed 1 September 2016)

#### For Wallington High School for Girls

R. Gibb (Joint Acting Headteacher Wallington) (resigned 31 August 2016)  
B. Cloves (Joint Acting Headteacher Wallington) (returned to Deputy Head 1 September 2016)  
R. Booth (Headteacher Wallington) (appointed 1 September 2016)

**Company registration number** 07627961 (England and Wales)

**Registered office** Ewell Road  
Cheam  
Surrey, SM3 8AB, United Kingdom

**Independent auditor** Baxter & Co  
Lynwood House  
Crofton Road  
Orpington  
Kent, BR6 8QE

**Bankers** Lloyds Bank plc  
High Street Sutton Branch  
PO Box 1000  
BX1 1LT

# NONSUCH AND WALLINGTON EDUCATION TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### **Solicitors**

Stone King LLP (for Nonsuch High School for Girls)  
Boundary House  
91 Charterhouse Street  
London EC1M 6HR

Veale Wasborough Vizards (for Wallington High School for Girls)  
Barnards Inn  
86 Fetter Lane  
London EC4A 1AD

The Trust has appointed Stone King to act on its behalf, and for both schools, with effect from 1 September 2016.

# NONSUCH AND WALLINGTON EDUCATION TRUST

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

### Introduction & Context

The Trustees of Nonsuch and Wallington Education Trust (NWET) (formerly Nonsuch High School for Girls) present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The accounts have been prepared in accordance with the accounting policies set out in note 1 to the accounts and comply with the charitable company's Memorandum and Articles of Association, the Companies Act 2006, the Statement of Recommended Practice 2015, "Accounting and Reporting by Charities", and the Academies' Accounts Direction 2015/16 issued by the Education Funding Agency (EFA).

With effect from 1 September 2015, Nonsuch High School for Girls (Nonsuch) formed a multi-academy trust (MAT) with Wallington High School for Girls (Wallington), called the Nonsuch and Wallington Education Trust (NWET). On 1 September 2015, a new constitution came into effect, requiring Governors of the school to resign as Trustees (but not as Governors of the school which continues to have a Local Governing Body of its own). These financial statements reflect the transactions undertaken and year end balances of both academies within NWET. The comparative figures for 2014-15 reflect only the transactions and balances of Nonsuch High School for Girls, prior to NWET being operational.

The principal activity of NWET is to provide a broad and balanced education to girls between the ages of 11 to 19 at the academies within the Trust. Funding is obtained from the Department for Education (DfE) through the Education Funding Agency (EFA) in the form of recurrent grants, the use of which is restricted to particular purposes. For the year 2015-16, the Trust had a pupil capacity of 2,750, of which 800 were 6th form places. In October 2015, the number on roll was 2,685 (as set out in the table below).

	2015-16		2016-17	
	*Planned Admission No.	October 2015 Student Census	*Planned Admission No.	October 2016 Student Census
<b>Nonsuch</b>				
Years 7-11	930	924	960	959
Years 12-13	<u>400</u>	<u>356</u>	<u>400</u>	<u>355</u>
<b>Total</b>	<b>1,330</b>	<b>1,283</b>	<b>1,360</b>	<b>1,314</b>
<b>Wallington</b>				
Years 7-11	1,020	1,017	1,050	1,048
Years 12-13	<u>400</u>	<u>385</u>	<u>400</u>	<u>389</u>
<b>Total</b>	<b>1,420</b>	<b>1,402</b>	<b>1,450</b>	<b>1,437</b>
<b>NWET</b>	<b>2,750</b>	<b>2,685</b>	<b>2,810</b>	<b>2,751</b>

*\*The official Planned Admission Number (PAN) relates to Years 7-11 only. However, both schools refer to an indicative planned admission number for Years 12 & 13 of 400 per school.*

Due to the on-going expansion of student numbers at Nonsuch, the PAN will rise by a further 120 students (compared to 2015-16) to 2,900 by 2019-20 (split between Years 7-11 at 2,100 and Years 12-13 at 800).

### Structure, Governance and Management

The company was incorporated on 10 May 2011. The predecessor maintained school converted to academy status on 1 June 2011. It operated Nonsuch High School for Girls as a single academy trust until 31 August 2015. On 1 September 2015, it converted to MAT status as described above when Wallington High School for Girls combined with Nonsuch High School for Girls to form NWET.

The Trustees, who are also the directors for the purpose of company law, and who served during the year and to date are set out in the Reference and Administrative Details section on page 1 of the accounts.

# **NONSUCH AND WALLINGTON EDUCATION TRUST**

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

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### Constitution and members liability

The company is limited by guarantee with no share capital (registration no. 07627961) and an exempt charity. The Charitable Company's memorandum and Articles of Association are its primary governing documents.

Each member of the company undertakes to contribute to the assets of the company. In the event of the company being wound up while they are a member, or within one year after they cease to be a member, the liability of the members is limited to £10 each for the debts and liabilities contracted before they ceased to be a member.

The Trustees act as the directors of the company for the purposes of company law.

### Trustees' Indemnities

The Company has not given any indemnities to any third parties on behalf of any of the Trustees.

### Method of recruitment and appointment or election of Trustees

In accordance with the Articles of Association, the Trust shall have the following Trustees appointed as follows:

- Up to 3 Trustees from the members of the local governing body of Nonsuch High School for Girls
- Up to 3 Trustees from the members of the local governing body of Wallington High School for Girls
- The Executive Head appointed as an ex-officio Trustee (provided that the incumbent agrees to act)
- In the event that either there are no LGB's established, or where there is no provision on the LGB's for at least 2 Parent Local Governors, then the Trust Board shall have a minimum of 2 Parent Trustees
- There may also be Co-opted Trustees appointed by the Trustees

Details of the exact mechanisms by which Trustees may be recruited and appointed are set out in detail in the Articles of Association, which are published on the Trust websites.

### Policies and procedures adopted for the induction and training of Trustees and Governors

The training and induction provided for new trustees and governors depends on their prior and existing experience. Where necessary, induction provides training in charity and educational legal and financial matters. All trustees and governors are provided with the information needed (including policies, minutes, budgets, etc) to undertake their role as trustees and/or governors. The Trust also purchases appropriate training from the local authority to support trustees and governors in their roles, as well as subscribing to the National Governors Association for up to date information and online training resources.

### Organisational structure

NWET has two levels of governance. Firstly, NWET has up to five Members, some of whom may also be Trustees of the Trust Board (or governors of one of the local governing bodies) and one member who is independent. Members have an overview of the governance arrangements of the Trust.

The second level of governance is the NWET Trust Board. This is ultimately responsible and accountable for each academy in the Trust and decides the strategic direction of the Trust. The Trust Board is supported by committees and local governing bodies (LGBs) with delegated authority, as set out in the NWET Scheme of Delegation, and comprising members from both the Trust Board and the academy LGB's.

The Trust committees are:

- NWET Finance Committee
- NWET HR Committee
- NWET Admissions Committee
- Nonsuch Local Governing Body
- Wallington Local Governing Body

# NONSUCH AND WALLINGTON EDUCATION TRUST

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

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The Trust Board sets an annual Trust Development Plan, as well as annual key performance indicators (KPIs), to allow the strategic vision of the Trust to be monitored and reviewed. Each LGB determines its school's direction and sets its own School Development Plan in line with the Trust's strategic vision. The NWET Scheme of Delegation provides delineation between the Trust Board and the LGBs. With the exception of the Executive Headteacher (who is an ex-officio Trustee), the Trustees do not sit on the LGBs to ensure that decision making remains independent.

The funding for schools within the Trust is allocated on an individual academy basis. Funding is governed through a master funding agreement between the Secretary of State for Education and the Trust, and by supplemental agreements between the Secretary of State and each academy.

### Arrangements for setting pay and remuneration of key management personnel

The Executive Team (as described in Reference & Administrative Details) are the key management personnel of the trust. For each member of the Executive Team, pay is determined by the Trust Board having regard to performance against objectives set the previous year.

The Trustees are also senior management, although they receive no pay or other remuneration in respect of their role as trustees. One Trustee (ex-officio) receives remuneration as the Executive Headteacher and pay is determined by the Trust Board (as stated above). Further details of any remuneration and/or expenses paid to Trustees are set out within the notes to the accounts.

### Related Parties and other Connected Charities and Organisations

The company has two connected organisations:

#### Nonsuch High School Charitable Trust (separate legal entity, charity number 11376656)

Nonsuch High School Charitable Trust was formed to advance for the public benefit the education of students of Nonsuch High School for Girls by supplementing the educational provision and facilities for teaching and learning of all subjects and the provision of recreational and other charitable support and facilities at the School, where the funds made available by the government for this purpose are insufficient to meet the cost of the same.

#### Nonsuch Business Enterprises Limited (wholly owned subsidiary, company number 0352077)

Nonsuch Business Enterprises Limited was formed to manage the hire of school facilities and the sale of uniform for Nonsuch High School for Girls and to carry on any other trade or business which can in the opinion of the Board of Directors be advantageously carried on in connection with or ancillary to any of the business of the company.

## **Objectives and Activities**

### Objects and Aims

The principal object in the Articles of Association is to advance for the public benefit education in the UK. This is delivered by the operation of the two academies offering a broad and balanced curriculum to students between the ages of 11 and 19 years.

The second object in the Articles of Association is to promote for the benefit of the inhabitants of Cheam, Sutton and the surrounding area the provision of facilities for recreation or other leisure time occupation.

The Trust's Development Plan (established in Spring 2016 owing to the recent formation of the Trust) focusses on:

1. Quality of teaching & learning
2. Student confidence, enrichment & onward destinations
3. Human Resource (HR) management
4. Maximising revenues and reducing costs

This is a work-in-progress (the Trust Development Plan is for the period Spring 2016 to December 2017) and is routinely monitored by the Trust Board through the termly Executive Headteacher's report.

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# **NONSUCH AND WALLINGTON EDUCATION TRUST**

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

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Individually, each school also had a School Development Plan for 2015-16, and progress was routinely monitored by the LGB's through the termly Headteacher's Report.

The main objectives of NWET during the year ended 31 August 2016 and achievement against those targets are summarised in the strategic report below.

### Public benefit

The Trust aims to advance for the public benefit education in the United Kingdom. In setting the objectives of the Trust and planning the associated activities, the Trustees have given careful consideration to the Charity Commission's general guidance on public benefit.

### Disabled Persons

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of both the schools. The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust does this by adapting the physical environment, by making support resources available and through training and career development.

## **Strategic Report**

### Ofsted Inspection

In January 2016, Wallington High School for Girls received an Ofsted inspection. The letter confirms that 'The school continues to be good'. Detailed feedback was obtained and has been incorporated in the School Development Plan.

Nonsuch High School for Girls was last inspected in July 2013 and continues to be designated as good.

### Achievements and Performance

The first year of operation for NWET ended with a strong set of exam outcomes. Both schools performed very well at both GCSE and A level across both attainment and progress measures.

In terms of the national picture, and the position as an all girls multi-academy trust, both schools performed very well and placed amongst the top schools nationally at both GCSE and A Level. It should also be noted that nationally the results dropped compared to last year, especially at GCSE, and so the schools in the Trust performed better than most. The results provide a sound platform for both schools in the Trust to build upon.



# NONSUCH AND WALLINGTON EDUCATION TRUST

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

The tables below summarise academic achievement and exam performance at the schools across the Trust.

GCSE	12/13	13/14	14/15	15/16
<b>% A*/A grades</b>				
Nonsuch	78%	85%	81%	83%
Wallington	83%	81%	78%	82%
<b>% A* - C in English/Maths</b>				
Nonsuch	100%	100%	99%	100%
Wallington	100%	98%	100%	100%
<b>% achieving E Bacc</b>				
Nonsuch	96%	90%	97%	99%
Wallington	89%	93%	94%	96%
<b>RaiseOnline</b>				
Nonsuch	1037	1036	1049	
Wallington	1037	1039	1044	
<b>Progress 8</b>				
Nonsuch			0.86	0.73
Wallington			0.73	0.69
<b>GCSE ALPS</b>				
Nonsuch				1
Wallington				2

AS	12/13	13/14	14/15	15/16
<b>% A grades</b>				
Nonsuch	39%	46%	47%	45%
Wallington	42%	41%	46%	52%
<b>AS ALPS</b>				
Nonsuch	5	2	3	4
Wallington	2	3	2	3

A2 (A Level)	12/13	13/14	14/15	15/16
<b>% A* grades</b>				
Nonsuch	11%	24%	22%	20%
Wallington	19%	16%	13%	17%
<b>% A*/A grades</b>				
Nonsuch	48%	61%	53%	55%
Wallington	55%	51%	47%	56%
<b>L3VA</b>				
Nonsuch	-0.18	+0.05	-0.03	-0.03
Wallington	-0.02	-0.09	-0.14	+0.07
<b>A2 ALPS</b>				
Nonsuch	6	3	5	5
Wallington	6	5	5	3

An all important measure is where students move to in terms of university destinations.

The majority of students at both schools achieved their first choice of university, with around half (46%-55%) being at Russell Group institutions. In addition, 17 girls across the Trust secured Oxbridge places in 2015-16.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

Destinations	14/15	15/16
<b>1<sup>st</sup> Choice University</b>		
Nonsuch	70%	65%
Wallington	73%	67%
<b>Oxbridge</b>		
Nonsuch	12%	8% (13)
Wallington	6%	2% (4)
<b>Russell Group Universities</b>		
Nonsuch	64%	55%
Wallington	45%	46%

### Extra Curricular

In addition, the schools in the Trust continued to provide excellent opportunities to develop students' skills, above and beyond their academic studies, and to prepare them for life beyond school.

The schools have continued to expand extra-curricular and enrichment opportunities for all students. At Wallington, a key element of this is that on dedicated days throughout the year the school timetable is collapsed and students experience a wide range of activities designed to challenge them and introduce them to new experiences. At Nonsuch, a wide variety of trips and visits are arranged throughout the year.

Sport continued to play a major part in the life of both schools and we had successes at borough, county and national level.

Music and Drama remain strong and this year saw outstanding performances of 'The Wiz' at Wallington and 'Little Shop Of Horrors' at Nonsuch. Alongside this, we have organised regular opportunities for students to showcase their talents through concerts and recitals.

Careers provision is superb and supports students' aspirations by providing speakers from a variety of disciplines and institutions. The University Taster Day saw over 30 visiting lecturers and around 500 students benefitting from the experience.

2015-16 has also seen our wider extra curricular continue to flourish in school life. Both the Duke of Edinburgh scheme and the Combined Cadet Force (CCF) have proved popular with students.

Many other departments also provide excellent opportunities for students through national and international competitions in Maths, Science, MFL and DT, through to student Art pieces being displayed at London galleries and a range of theatre trips hosted by the English departments. Alongside this we have provided opportunities both inside and outside of school for students to develop their debating skills and we have been successful in a number of local competitions. There are many opportunities for trips, both home and abroad.

### Key financial performance indicators

At the start of the financial year, the Trustees (operating initially through the LGB Finance Committees (autumn 2015) and then through the Trust Finance Committee (spring & summer 2016)) set the consolidated Trust budget, taking into account the anticipated income and expenditure of each school (including a share of Trust costs) and with reference to reserves readily available to spend (excluding fixed asset reserve and the pension reserve).

The Trust shares the costs of centralised functions (such as the Executive Headteacher, Director of Finance & Operations, audit services, etc) in proportion to the main government funded element of school revenues (General Annual Grant – GAG) and these costs are embedded in the school level budgets. For 2015-16, the split was Nonsuch 47% and Wallington 53%.

Approximately 80% of the Trust's income in 2015-16 was government funded through the General Annual Grant, with the remaining funds coming from capital grants, parental donations, trips & visits, and other sources generated throughout the year.

The Trustees aim to budget staffing costs within 80% of annual income (excluding capital grants, trips & visits and parental donations) and for 2015-16 the figure was 77%.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

When determining the budget for each school, a key figure that the Trustees consider is the net surplus or deficit. For 2015-16, it was planned that expenditure would be in line with income and the budget for each school was set at a broadly balanced budget.

At both schools, some capital expenditure was also planned and in some instances funding was drawn from reserves brought forward from previous years.

Performance against budget is closely monitored by the Director of Finance & Operations and the Trust Finance Committee, which receives quarterly management reports. The annual budget is reviewed throughout the year, and forecasts for the anticipated outturn at year end are closely monitored.

2015-16	<u>Nonsuch</u>	<u>Wallington</u>	<u>Average NWET</u>
<b>Total costs per student</b>	<b>£4,865</b>	<b>£4,687</b>	<b>£4,772</b>
<b>Leadership &amp; teaching costs per student</b>	<b>£3,119</b>	<b>£3,099</b>	<b>£3,109</b>
<b>Support staff costs per student</b>	<b>£842</b>	<b>£730</b>	<b>£783</b>
<b>Student to teacher ratio</b>	<b>16.7</b>	<b>17.2</b>	<b>17.0</b>
<b>Total staff costs as % of income</b>	<b>76%</b>	<b>78%</b>	<b>77%</b>
<b>% families contributing to School Fund</b>	<b>40%</b>	<b>46%</b>	<b>43%</b>

### Financial Review

As a multi-academy trust, the Trust receives its income from a number of different sources. The majority of the Trust's income comes from central government via the Education Funding Agency (EFA) which provides a grant, based largely on student numbers, to cover staffing and other general running costs (General Annual Grant - GAG).

The EFA also provides the Trust with additional grants which are earmarked for specific purposes (such as Pupil Premium which must be used to raise the attainment of disadvantaged pupils and Capital Improvement Funds which must be used for specified capital projects). These appear in the accounts as DfE/EFA grants.

Where the Trust receives grant or other funding from the Local Authority (such as where the Trust undertakes responsibilities on the LA's behalf in respect of students) this appears in the accounts as other government grants. Such income is collectively referred to as "Restricted Funds".

Other income is received from parents (for example as contributions to trip or other costs) and from third parties (for example from bank interest on account balances or from others who are charged for their use of school facilities). Such other income may be restricted or unrestricted, depending on whether it comes to the Trust with conditions as to its use or whether it is available for spending at the discretion of the Trustees.

The Trust holds funds in two broad categories, funds which are available for spending and other funds which are not available for spending.

Spendable funds are in turn sub-categorised between those which are available for spending at the discretion of Trustees ("Unrestricted Funds") and those which are subject to condition or restriction ("Restricted Funds").

Funds not available for spending include the book value of fixed assets such as land, buildings and equipment. These have a value and are therefore included as assets in the accounts but the Trust cannot spend this value. In common with all academies and Local Authorities, the Trust's share of the Local Government Pension Scheme (LGPS) deficit must also be reflected in the accounts and as this is not a conventional liability, it does not need to be deducted from spendable funds. The Trust meets its obligations in respect of the LGPS by paying over pension contributions due as calculated by the scheme's actuaries.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

The following balances held were held at 31 August;

Fund	Category	2016 £'000	2015 £'000
GAG	Restricted General Funds	724	1
Other Grant Funds	Restricted General Funds	29	65
Other Income	Restricted General Funds	<u>157</u>	<u>73</u>
<b>Sub-total General Restricted Funds</b>		<b>910</b>	<b>139</b>
Unspent Capital Grants	Restricted Fixed Asset Fund	219	666
Other Income	Unrestricted General Fund	<u>927</u>	<u>268</u>
<b>Sub-Total Spendable Funds</b>		<b>2,056</b>	<b>1,073</b>
Net Book Value of Fixed Assets	Restricted Fixed Asset Fund	43,259	20,983
Share of LGPS Deficit	Restricted Pension Reserve	<u>(5,251)</u>	<u>(1,510)</u>
<b>Total All Funds</b>		<b><u>40,064</u></b>	<b><u>20,546</u></b>

### Reserves policy

The Trustees keep spendable reserves under constant review to ensure that they have sufficient income to run the schools on an efficient basis without affecting the quality of teaching and learning. There is a reserves policy of £400k across the Trust. The Trustees set the reserve level based on a 3 Year Plan that ensures the Trust can continue to operate whilst ensuring that it has sufficient cash reserves.

The Trust had un-restricted general reserves of £927k at 31 August 2016 (2015: £268k) and restricted general reserves of £910k (2015: £139k). Total spendable funds were £2,056k (2015: £1,073k) reflecting the unspent capital grants.

	At 31 August 2015			At 31 August 2016		
	Unrestricted Reserves	Restricted Reserves	Total Reserves	Unrestricted Reserves	Restricted Reserves	Total Reserves
Nonsuch High School for Girls	268k	139k	407k	140k	115k	255k
Wallington High School for Girls*	-	-	-	787k	795k	1,582k
<b>NWET Restricted &amp; Unrestricted General Funds</b>	<b>268k</b>	<b>139k</b>	<b>407k</b>	<b>927k</b>	<b>910k</b>	<b>£1,837k</b>

\* Wallington High School for Girls (company number 07635448) joined the Trust on 1 September 2015.

In the case of Wallington High School for Girls, the reserves are earmarked for the development of a new Learning Resource Centre, the creation of Science laboratories, refurbishment of Drama facilities and for various condition-related maintenance issues affecting the school.

### Investment policy and powers

There are no investments held beyond cash deposits retained with the major UK clearing banks. Speculative investments are not permitted. The Trustees have reviewed their investment and banking arrangements during the course of the year.

### Going concern

In common with other government funded multi-academy trusts, the Trustees expect to see a decline in income over the next 3 years, coupled with significant increases in nationally agreed pay scales, pension contributions,

# **NONSUCH AND WALLINGTON EDUCATION TRUST**

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

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National Insurance contributions and the Apprenticeship Levy. This may be partially mitigated by the Department for Education's National Funding Formula, but at this stage the implementation is delayed and the amount of funding available is uncertain. However, any mitigation through the National Funding Formula will be further offset by the phased withdrawal of the Education Services Grant and reductions in Sixth Form Funding. In addition, the transfer of expansion funding from the EFA to the local authority Schools Forum has resulted in a reduction in expansion funding for both schools in the Trust.

As previously reported, and again in common with other government funded MATs, the Trustees note the unfunded Local Government Pension Scheme (LGPS) pension deficit. In the case of the LGPS deficit, Parliament has agreed to a guarantee that, in the event of academy closure, outstanding scheme liabilities would be met by the Department for Education. The academies are currently making employer contributions based on the latest triennial actuarial assessment. Having regard to these factors, the Trustees do not believe any further action is required at this time.

The Trustees have initiated actions to (a) increase income, including the on-going expansion of student numbers, and (b) reduce costs and optimise value for money. It is expected that the on-going development of the MAT will enhance value for money savings and enable the school's to meet the financial challenges ahead. On this basis, the Trustees therefore have an expectation that, at 31 August 2016, NWET had 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 (Note 1 to the Financial Statements) and further statements on Post Balance Sheet Events and Going Concern can be found in Note 23 to the Financial Statements.

### **Principal Risks and Uncertainties**

Over the course of the year, the Trustees have assessed the major risks to which the Trust is exposed, in particular those relating to:

1. Safeguarding
2. Education delivery & standards
3. Student numbers
4. Health & safety
5. Critical incidents
6. Staff recruitment & retention
7. Financial stability
8. Capability of Trust Board & LGBs
9. Government policy changes
10. NWET formation & future growth

The Trustees have implemented a procedure to identify and assess the risks to the Trust, have developed controls to mitigate those risks, and review the risk register at each meeting. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement (relating to internal control).

The risk management procedure has been codified, a risk register implemented by the Executive Headteacher and the Director of Finance & Operations, and the process is actively overseen by the Trustees.

As the nature of the financial instruments dealt with by the company is relatively simple (bank balances, debtors and "trade" creditors), Trustees consider the associated risk in this area to be minimal.

The risk resulting from the company's share of the LGPS deficit is managed by following the advice of the scheme's actuaries, specifically as regards the level of contributions payable, ensuring that annual budgets are drawn up to reflect the actuary's advice. Trustees keep spendable reserves (i.e. liquidity and cashflow) under review to ensure that they have sufficient income to run the academy on an efficient basis without affecting the quality of teaching and learning.

### **Plans for Future Periods**

NWET exists to deliver a first class education for girls ensuring that they realise their full potential and leave the Trust well prepared for their future. This is achieved through a collaborative model:

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# **NONSUCH AND WALLINGTON EDUCATION TRUST**

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

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- Delivering excellent teaching and learning consistently across the Trust in order to secure strong outcomes for all our students.
- Providing effective pastoral support to all our students ensuring they are supported, developed and well cared for during their time in the Trust.
- Developing a strong understanding of how best girls learn, develop and thrive and using this to underpin our approach to education across the Trust.
- Promoting and developing high aspirations for our young women
- Creating an exciting, challenging and creative curriculum across the trust, both inside and outside of the classroom, to allow all students to realise their full potential.
- Securing a financially viable Trust through working collaboratively to access financial efficiencies and being able to develop centres of expertise.
- Ensuring sustainable leadership capacity and providing opportunities for effective staff development and career progression across the Trust.

### **Key Elements**

- The Executive Headteacher, along with the Trust Board, is accountable and responsible for the strategic direction and outcomes of both schools within the Trust. The Executive Headteacher is also the Accounting Officer for the Trust and retains the legal responsibilities as head of both schools.
- The Headteacher in each individual school reports directly to the Executive Headteacher.
- The Trust Board sets key performance indicators (KPIs) across the Trust to allow the strategic vision to be monitored and reviewed.
- Each school retains its own identity and has its own Headteacher, Local Governing Body (LGB) and leadership team.
- The Headteacher and leadership teams of each school focus on the teaching and learning, student progress and day-to-day management of their schools while working collaboratively with, and being supported by, the Executive Headteacher.
- Each LGB determines their school's direction and sets the Annual Development Plan for their school, in line with the Trust's Development Plan and overall strategic vision. A clear scheme of delegation differentiates the roles of the Trust Board and the LGBs.

### **Other Matters**

#### Funds Held as Custodian Trustee on Behalf of Others

No funds were held as Custodian Trustee.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2016

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### Auditor

In so far as the Trustees are aware:

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

The Trustees' Report, incorporating a strategic report, approved by order of the Board of Trustees, as the company directors, on 6 December 2016 and signed on the Board's behalf by:

.....  
A. Hyams-Parish  
**Chair of Trustees**

# NONSUCH AND WALLINGTON EDUCATION TRUST

## GOVERNANCE STATEMENT

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### Scope Of Responsibility

The Trustees are responsible for ensuring that high standards of corporate governance are maintained. The role is a strategic one with three key functions:

- Overseeing the financial performance of the Trust and making sure its money is well spent.
- Holding the Executive Headteacher to account for the educational performance of the schools and their pupils, and
- Ensuring clarity of vision, ethos and strategic direction.

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

During 2015-16, the Executive Headteacher, J. Burton, acted as an ex-officio Trustee and a full time executive of the MAT. The Executive Headteacher was responsible for the internal organisation, management and control of the academies; the implementation of all policies approved by the Trustees and for the direction of teaching and the curriculum across the schools.

Further, the Trustees have delegated day-to-day responsibility to the Executive Headteacher, as Accounting Officer, to ensure that the 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 Nonsuch & Wallington Education Trust and the Secretary of State for Education. The Accounting Officer is also responsible for reporting to the Trustees any material weaknesses or breakdowns in internal control.

### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Trust Board has formally met 7 times during the year. Attendance during the year at meetings of the Trust Board was as follows:

<b>Trust Board 2015-16</b>	<b>Meetings attended</b>	<b>Out of possible</b>
A Hyams-Parish (Chair)	7	7
T. Graham (resigned 7 Mar 2016)	2	4
P Taylor	7	7
S Rahman	5	7
N. Pepper	7	7
A. Clark	6	7
S. Gillett (appointed 1 Sept 2016)	0	0
J. Burton (Executive Headteacher)	7	7
H. Latham (DFO) (in attendance)	5	5

The Trust Board plans to complete a self-evaluation during the course of 2016-7, building on the work done by the predecessor governing bodies.

The NWET Finance Committee is a committee of the Trust Board. Its purpose is to assist and support the Trust Board, ensuring sound oversight is exercised over the management of the Trust's finances and resources. It comprises two Trustees, the Accounting Officer/Executive Headteacher, and two representatives for each of the LGB's (including the former Chairs and Vice Chairs of the predecessor school's finance committees).

Following a review of the Trust committee structure in January 2016, and consultation with the LGBs, a revised structure was established with effect from March 2016. The NWET Finance Committee held its first meeting on 25 April 2016 and a further meeting during the summer term. Prior to this, the Finance Committees of each LGB (LGB FC) had each met twice during the autumn term 2015.



# NONSUCH AND WALLINGTON EDUCATION TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

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Attendance at meetings in the year was as follows:

<b>Trust Finance Committee</b>	Meetings attended	Out of possible (Spring & Summer 2016)
S. Rahman (Chair)	2	2
A. Akram (Vice Chair)	1	2
N. Pepper	1	2
A. Cooke	2	2
V. Ramakrishnan	1	2
J. Thind	1	2
J. Burton (Executive Head/Accounting Officer)	2	2

<b>Nonsuch Finance Committee</b>	Meetings attended	Out of possible (Autumn 2015)
J. Thind (Chair)	2	2
A. Cooke	2	2
T. Budden	2	2
M. Maguire	2	2
D. Evans	1	2
J. Burton (Executive Head/Accounting Officer)	2	2

<b>Wallington Finance Committee</b>	Meetings attended	Out of possible (Autumn 2015)
A. Akram (Chair)	2	2
V. Ramakrishnan (Vice Chair)	1	2
D. Forsdyke	2	2
R. Etchell	2	2
F. Mundle	2	2
J. Jones	1	2
J. Burton (Executive Head/Accounting Officer)	1	2

### Review of Value for Money

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

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

#### 1. Increased efficiency

- The Trust has continued to identify ways to maintain the strength of the educational offer to students, whilst taking difficult decisions to avoid running courses uneconomically. Examples include: deciding to maximise classes where possible in Years 12 & 13; using a 'straw polling' exercise for Year 9 options to optimise class sizes; and recruiting external students to A Level courses to improve efficiency.
- The Trust has continued to consider the provision of teaching staff in the context of the Trust's expanding roll and the current curriculum offer. It considers efficiency & effectiveness in all its recruitment decisions, balancing the educational needs of the students and a relatively experienced staff base.

# **NONSUCH AND WALLINGTON EDUCATION TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### **2. Better purchasing**

- All purchases over £5,000 are subject to '3 quotes' to ensure best value is achieved in purchasing. Where possible, across the Trust schools, we are looking at buying together.
- The HR contract, legal retainer contract, health & safety contract, financial software and auditor services have been procured centrally and at lower overall costs to the individual schools.
- The cleaning contract at Wallington was renegotiated from April 2016 generating 5% savings against the previous year.
- The approach to advertising job vacancies has been altered to optimise spending on advertising through agencies such as TES (formerly Times Education Supplement). The aim is to attract the best candidates, whilst reducing the overall spend.
- The Trust has benchmarked energy costs against Sutton schools, considered short and medium term deals using comparative data from Zenergi, and procured 1 and 2 year co-terminous contracts for electricity with new suppliers.
- The Trust has opted to continue to procure insurance via the London Borough of Sutton, generating savings against the previous years insurance premium, and having evaluated the government's Risk Protection Arrangement as an alternative.
- INSET costs across the Trust are being reduced through shared training & development activities, including the NWET Staff Conference that was organised and delivered by in-house staff.
- The Trust has stopped contracts that are no longer required (for example, memberships of educational forums, IT licences), run print-photocopy contracts beyond their planned lifecycle (to maximise costs avoided) and procured a more cost effective broadband suppliers.
- Where possible, the schools in the Trust have consolidated and simplified their systems, focussing on simplifying communication systems, student reporting and making more use of texting and emails.

### **3. Extra sources of income**

- Both schools actively support local sport and community groups by hiring out school facilities during the weekend and evening. The income is used to maintain the facilities and improve the resources for our students and hirers.
- The Trust was successful in two Condition Improvement Funds bids in 2015-16: £157k for mechanical & electrical works at Nonsuch and £172k for roofing and asbestos removal at Wallington.
- Both schools are also supported by voluntary donations from parents.

In future years, it is anticipated that the formation of the multi-academy trust will generate additional cost savings and improvements in value for money, as the resources of both schools are leveraged in the Nonsuch & Wallington Education Trust.

### **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 Nonsuch and Wallington Education Trust for the period 1 September 2015 to 31 August 2016, and up to the date of approval of the annual report and financial statements.

### **Capacity to handle risk**

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

# **NONSUCH AND WALLINGTON EDUCATION TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2016***

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### **The Risk And Control Framework**

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

- comprehensive budgeting and monitoring systems with an annual budget, 3 Year Plan and quarterly financial management reports which are reviewed by the NWET Finance Committee;
- regular reviews by the NWET Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks;
- consideration of the contingency reserve.

The Trust Board has considered the need for a specific internal audit function, and decided not to appoint an internal auditor. The Trustees have, however, appointed joint Responsible Officers (RO) across both schools, and they are A. Cooke (Nonsuch governor) and V. Ramakrishnan (Wallington governor).

The role of the RO's includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. On a regular basis, reports have been issued to the Trust Board on the operation of the systems of control and on the discharge of the Trust Boards' financial responsibilities. The Trust Board has appointed the external auditors, Baxter and Co. to assist each RO in fulfilling the agreed schedule of testing. Baxter & Co conducted termly visits to each academy during the year. Checks carried out included:

- Testing of payroll systems
- Testing of purchases system
- Testing of control account/bank reconciliations
- Testing of compliance with some of the key regularity and transparency requirements within the EFA's Academies Financial Handbook

The Trustees are satisfied that the RO functions have been fully delivered in line with the agreed schedule of testing. No material control issues have been notified to Trustees.

# **NONSUCH AND WALLINGTON EDUCATION TRUST**

## **GOVERNANCE STATEMENT (CONTINUED)**

***FOR THE YEAR ENDED 31 AUGUST 2016***

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### **Review of Effectiveness**

The Accounting Officer has the 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 Responsible Officers
- the work of the External Auditor;
- the Accounting Officer Log Book;
- the financial management and governance self-assessment process;
- the work of the Director of Finance & Operations, in conjunction with the finance teams in each school, who has responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of any implications of the review of the system of internal control and, where appropriate, has established a plan to address any weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Trust Board on 6 December 2016 and signed on its behalf by:

A. Hyams-Parish  
**Chair of Trustees**

J. Burton  
**Accounting Officer**

# **NONSUCH AND WALLINGTON EDUCATION TRUST**

## **STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE**

***FOR THE YEAR ENDED 31 AUGUST 2016***

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As Accounting Officer of Nonsuch And Wallington Education Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education Funding Agency (EFA) of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the Academy Trust's Board of Trustees are able to identify any material irregular or improper use of funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2015.

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

J Burton  
**Accounting Officer**

6 December 2016

# **NONSUCH AND WALLINGTON EDUCATION TRUST**

## **STATEMENT OF TRUSTEES' RESPONSIBILITIES**

***FOR THE YEAR ENDED 31 AUGUST 2016***

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The Trustees (who are also the Directors of Nonsuch And Wallington Education Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the Financial Statements in accordance with the Annual Accounts Direction published by the Education Funding Agency (EFA), United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these Financial Statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the Financial Statements; and
- prepare the Financial Statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the Board of Trustees on 6 December 2016 and signed on its behalf by:

A Hyams-Parish  
**Chair of Trustees**

# **NONSUCH AND WALLINGTON EDUCATION TRUST**

## **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NONSUCH AND WALLINGTON EDUCATION TRUST**

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We have audited the Financial Statements of Nonsuch And Wallington Education Trust for the year ended 31 August 2016 set out on pages 24 to 48. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditor's Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its 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 Trustees' Responsibilities Statement set out on page 19, the Trustees, who are also the Directors of Nonsuch And Wallington Education Trust for the purposes of company law, are responsible for the preparation of the Financial Statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the Financial Statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the Financial Statements**

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

### **Opinion on Financial Statements**

In our opinion the Financial Statements:

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

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

In our opinion the information given in the Trustees' Report including the incorporated Strategic Report for the financial year for which the Financial Statements are prepared is consistent with the Financial Statements.

# **NONSUCH AND WALLINGTON EDUCATION TRUST**

## **INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NONSUCH AND WALLINGTON EDUCATION TRUST (CONTINUED)**

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### **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.



# **NONSUCH AND WALLINGTON EDUCATION TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NONSUCH AND WALLINGTON EDUCATION TRUST AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 2 November 2012 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Nonsuch And Wallington Education Trust during the period 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Nonsuch And Wallington Education Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the Nonsuch And Wallington Education Trust and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Nonsuch And Wallington Education Trust and EFA, for our work, for this report, or for the conclusion we have formed.

### **Respective responsibilities of Nonsuch And Wallington Education Trust's Accounting Officer and the Reporting Accountant**

The Accounting Officer is responsible, under the requirements of Nonsuch And Wallington Education Trust's funding agreement with the Secretary of State for Education dated 28 August 2015 and the Academies Financial Handbook, extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Approach**

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

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of payments to staff;
- Review of payments to suppliers and other third parties;
- Review of grant and other income streams;
- Discussions with finance staff;
- Consideration of the record maintained by the Accounting Officer of the oversight they have exercised;
- Consideration of the programme of risk review and checking of financial controls implemented by the trust in order to comply with its obligations under 2.4.7 of the Academies Financial Handbook 2015, issued by the EFA.

# **NONSUCH AND WALLINGTON EDUCATION TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO NONSUCH AND WALLINGTON EDUCATION TRUST AND THE EDUCATION FUNDING AGENCY (CONTINUED)**

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### **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 2015 to 31 August 2016 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2016 £'000	Total 2015 £'000 (see over)
<b>Income and endowments from:</b>						
Donations and capital grants	2	344	106	426	876	1,262
Donations - transfer from Wallington High School	24	580	(939)	21,949	21,590	-
Charitable activities:						
- Funding for educational operations	4	82	13,405	-	13,487	6,195
Other trading activities	3	394	-	-	394	348
Investments	5	25	-	-	25	11
<b>Total income and endowments</b>		<u>1,425</u>	<u>12,572</u>	<u>22,375</u>	<u>36,372</u>	<u>7,816</u>
<b>Expenditure on:</b>						
Raising funds	6	114	-	-	114	128
Charitable activities:						
- Educational operations	7	349	13,516	862	14,727	7,809
<b>Total expenditure</b>	<b>6</b>	<u>463</u>	<u>13,516</u>	<u>862</u>	<u>14,841</u>	<u>7,937</u>
<b>Net income/(expenditure)</b>		962	(944)	21,513	21,531	(121)
Transfers between funds		(303)	(13)	316	-	-
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension schemes	17	-	(2,013)	-	(2,013)	130
<b>Net movement in funds</b>		659	(2,970)	21,829	19,518	9
<b>Reconciliation of funds</b>						
Total funds brought forward		<u>268</u>	<u>(1,371)</u>	<u>21,649</u>	<u>20,546</u>	<u>20,537</u>
Total funds carried forward		<u>927</u>	<u>(4,341)</u>	<u>43,478</u>	<u>40,064</u>	<u>20,546</u>

The comparative figures for 2015 are analysed according to fund on the next page of these financial statements.

The comparative figures for 2014-15 reflect only the transactions and balances of Nonsuch High School for Girls, prior to the Nonsuch and Wallington Education Trust being operational.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2016

### SUPPLEMENTARY NOTE: COMPARATIVE INFORMATION FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2015 £'000
<b>Income and endowments from:</b>					
Donations and capital grants	2	-	227	1,035	1,262
Charitable activities:					
- Funding for educational operations	4	133	6,062	-	6,195
Other trading activities	3	340	8	-	348
Investments	5	11	-	-	11
<b>Total income and endowments</b>		<u>484</u>	<u>6,297</u>	<u>1,035</u>	<u>7,816</u>
<b>Expenditure on:</b>					
Raising funds	6	-	128	-	128
Charitable activities:					
- Educational operations	7	509	6,488	812	7,809
<b>Total expenditure</b>	<b>6</b>	<u>509</u>	<u>6,616</u>	<u>812</u>	<u>7,937</u>
<b>Net income/(expenditure)</b>		(25)	(319)	223	(121)
Transfers between funds		-	145	(145)	-
<b>Other recognised gains and losses</b>					
Actuarial gains/(losses) on defined benefit pension schemes	17	-	130	-	130
<b>Net movement in funds</b>		(25)	(44)	78	9
<b>Reconciliation of funds</b>					
Total funds brought forward		<u>293</u>	<u>(1,327)</u>	<u>21,571</u>	<u>20,537</u>
Total funds carried forward		<u>268</u>	<u>(1,371)</u>	<u>21,649</u>	<u>20,546</u>

The Fixed Asset Fund is £183k higher in the restated 2014-15 version (£21,649) compared to the original 2014-15 Statement of Financial Activities (£21,466). The total funds carried forward from 2014-15 are therefore £183k higher. Refer to Note 25.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2016

		2016		2015	
	Notes	£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Tangible assets	11		43,259		20,983
<b>Current assets</b>					
Debtors	12	558		658	
Cash at bank and in hand		2,421		1,426	
		<u>2,979</u>		<u>2,084</u>	
<b>Current liabilities</b>					
Creditors: amounts falling due within one year	13	(923)		(1,011)	
<b>Net current assets</b>			<u>2,056</u>		<u>1,073</u>
<b>Net assets excluding pension liability</b>			45,315		22,056
Defined benefit pension liability	17		<u>(5,251)</u>		<u>(1,510)</u>
<b>Total net assets</b>			<u>40,064</u>		<u>20,546</u>
<b>Funds of the Academy Trust:</b>					
<b>Restricted funds</b>	15				
- Fixed asset funds			43,478		21,649
- Restricted income funds			910		139
- Pension reserve			<u>(5,251)</u>		<u>(1,510)</u>
<b>Total restricted funds</b>			39,137		20,278
<b>Unrestricted income funds</b>	15		<u>927</u>		<u>268</u>
<b>Total funds</b>			<u>40,064</u>		<u>20,546</u>

The Financial Statements set out on pages 24 to 48 were approved by the Board of Trustees and authorised for issue on 06 December 2016 and are signed on its behalf by:

.....  
A Hyams-Parish  
Chair of Trustees

Company Number 07627961

# NONSUCH AND WALLINGTON EDUCATION TRUST

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2016

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	Notes	2016 £'000	2015 £'000
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	18	245	1,362
Cash funds transferred on conversion		1,488	-
		<u>1,733</u>	<u>1,362</u>
<b>Cash flows from investing activities</b>			
Dividends, interest and rents from investments		25	11
Capital grants from DfE and EFA		384	235
Capital funding from sponsors and others		42	800
Payments to acquire tangible fixed assets		<u>(1,189)</u>	<u>(1,616)</u>
		<u>(738)</u>	<u>(570)</u>
<b>Change in cash and cash equivalents in the reporting period</b>		995	792
Cash and cash equivalents at 1 September 2015		<u>1,426</u>	<u>634</u>
<b>Cash and cash equivalents at 31 August 2016</b>		<u><u>2,421</u></u>	<u><u>1,426</u></u>

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2016

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#### 1 Accounting policies

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

##### 1.1 Basis of preparation

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

Nonsuch And Wallington Education Trust meets the definition of a public benefit entity under FRS 102.

These Financial Statements for the year ended 31 August 2016 are the first Financial Statements of Nonsuch And Wallington Education Trust prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 September 2014. An explanation of how transition to FRS 102 has affected the reported financial position and financial performance is given in note 25.

##### 1.2 Going concern

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

##### 1.3 Transfer of School from another academy trust

On 1 September 2015, Wallington High School for Girls joined the Trust which involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities of Wallington High School for Girls transferred on 1 September 2015 to the Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in (for net gain) Donations – transfer of school from another academy trust in the Statement of Financial Activities and analysed under the unrestricted funds, restricted general funds, restricted pension fund and restricted fixed asset funds. Further details of the transaction are set out in note 24.

##### 1.4 Income

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

###### Grants receivable

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

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

---

#### 1 Accounting policies

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

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

#### Sponsorship income

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

#### Donations

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

#### Other income

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

#### Donated goods, facilities and services

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

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

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

All resources expended are inclusive of irrecoverable VAT.

#### Expenditure on raising funds

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



# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

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#### 1 Accounting policies

##### Charitable activities

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

##### Governance costs

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

#### 1.6 Tangible fixed assets and depreciation

Assets costing £5,000 or more per item (or less if they form part of a larger purchase or project where the total cost exceeds £25,000) are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold land is not depreciated.

Freehold buildings	50 years straight line
Astro, Tennis Courts & Storage	20 years straight line
ICT & Computer equipment	3 years straight line
Fixtures, furniture & equipment	7 years straight line
Motor vehicles	5 years straight line

##### Fixed Asset Transfer from the Predecessor School

Where fixed assets were transferred to the charitable company from the predecessor school, these have been included at a value determined in accordance with the policy described below:

##### Land

- Where land is owned (or occupied under the terms of a long term lease), subject to a legally binding restriction as to its use, it is included at a valuation that assumes continuation of existing use.

##### Buildings

- In accordance with the requirements of FRS 102, specialist buildings transferred from the predecessor school are recognised at their depreciated replacement cost at the time of the transfer. Future depreciation is charged over the estimated remaining useful life of the buildings.

##### Other Fixed Assets

- Other fixed assets transferred from the predecessor school are also included at depreciated replacement cost (subject to the capitalisation limit set).

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

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#### 1 Accounting policies

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

#### 1.7 Liabilities

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

#### 1.8 Leased assets

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

#### 1.9 Taxation

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

#### 1.10 Pensions benefits

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

##### Teachers' Pension Scheme

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 17, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

##### Local Government Pension Scheme

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

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# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

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#### 1 Accounting policies

##### 1.11 Fund accounting

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

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

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

##### 1.12 Agency arrangements

The Trust acts as agent in distributing 16-19 bursary funds from EFA. Payments received from the EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the trust does not have control over charitable application of the funds. The trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received and paid, and any balances held are disclosed in note 23.

##### 1.13 Critical accounting estimates and areas of judgement

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

###### Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

###### Critical areas of judgement

In preparing these Financial Statements, the Trustees have not needed to exercise any subjective judgements that would be critical to the Trust's Financial Statements.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 2 Donations and capital grants

	Unrestricted funds £'000	Restricted funds £'000	Total 2016 £'000	Total 2015 £'000
Capital grants	-	384	384	235
Voluntary fund income and donations	344	106	450	227
Capital donations	-	42	42	800
	<u>344</u>	<u>532</u>	<u>876</u>	<u>1,262</u>

### 3 Other trading activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2016 £'000	Total 2015 £'000
Hire of facilities	96	-	96	68
Catering income	298	-	298	272
Other income	-	-	-	8
	<u>394</u>	<u>-</u>	<u>394</u>	<u>348</u>

### 4 Funding for the Academy Trust's educational operations

	Unrestricted funds £'000	Restricted funds £'000	Total 2016 £'000	Total 2015 £'000
<b>DfE / EFA grants</b>				
General annual grant (GAG)	-	12,411	12,411	5,716
Other DfE / EFA grants	-	138	138	56
	<u>-</u>	<u>12,549</u>	<u>12,549</u>	<u>5,772</u>
<b>Other government grants</b>				
Local authority grants	-	126	126	1
<b>Other funds</b>				
School trips and activities	-	532	532	289
Other incoming resources	82	198	280	133
	<u>82</u>	<u>730</u>	<u>812</u>	<u>422</u>
<b>Total funding</b>	<u>82</u>	<u>13,405</u>	<u>13,487</u>	<u>6,195</u>

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

5	Investment income	Unrestricted funds £'000	Restricted funds £'000	Total 2016 £'000	Total 2015 £'000
	Short term deposits	25	-	25	11

6	Expenditure	Staff costs £'000	Premises & equipment £'000	Other costs £'000	Total 2016 £'000	Total 2015 £'000
	<b>Academy's educational operations</b>					
	- Direct costs	9,270	690	1,385	11,345	5,213
	- Allocated support costs	1,286	356	1,740	3,382	2,596
		<u>10,556</u>	<u>1,046</u>	<u>3,125</u>	<u>14,727</u>	<u>7,809</u>
	<b>Other expenditure</b>					
	Raising funds	7	-	107	114	128
		<u>7</u>	<u>-</u>	<u>107</u>	<u>114</u>	<u>128</u>
	<b>Total expenditure</b>	<u>10,563</u>	<u>1,046</u>	<u>3,232</u>	<u>14,841</u>	<u>7,937</u>

Net income/(expenditure) for the year includes:	2016 £'000	2015 £'000
Fees payable to auditor for:		
- Audit	16	8
- Other non-audit services	23	17
Operating lease rentals	16	15
Depreciation of tangible fixed assets	862	329
Gain/(loss) on disposal of fixed assets	-	483
	<u>913</u>	<u>852</u>

Included within expenditure are the following transactions:

	2016 £
Gifts made by the trust - total	349
Unrecoverable debts - total	217
	<u>566</u>

Clarification - While the majority of disclosure in these accounts are rounded to £'000, disclosure of gifts and unrecoverable debts above are made in £'s.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 6 Expenditure

#### Central services

The Trust shares the actual costs of centralised functions and services (such as the Executive Headteacher, Director of Finance & Operations, audit services, financial software, etc) in proportion to the main government funded element of school revenues (General Annual Grant – GAG). For 2015-16, the proportion was Nonsuch 47% and Wallington 53%. However, there are no central charges ('top slicing'). In most cases, suppliers invoice each academy individually.

### 7 Charitable activities

	Unrestricted funds £'000	Restricted funds £'000	Total 2016 £'000	Total 2015 £'000
Direct costs - educational operations	31	11,314	11,345	5,213
Support costs - educational operations	318	3,064	3,382	2,596
	<u>349</u>	<u>14,378</u>	<u>14,727</u>	<u>7,809</u>

#### Analysis of support costs

Support staff costs	1,286	852
Depreciation and amortisation	172	66
Loss on disposal of fixed assets	-	483
Technology costs	78	-
Premises costs	838	566
Other support costs	957	525
Governance costs (including auditor fees & non audit services)	51	104
	<u>3,382</u>	<u>2,596</u>

### 8 Staff costs

	2016 £'000	2015 £'000
Wages and salaries	8,306	3,977
Social security costs	688	291
Operating costs of defined benefit pension schemes	1,483	654
Staff costs	<u>10,477</u>	<u>4,922</u>
Supply staff costs	71	157
Staff restructuring costs (historic early retirement pension contributions)	15	11
Total staff expenditure	<u>10,563</u>	<u>5,090</u>

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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### 8 Staff costs

#### Staff numbers

The average number of persons (headcount) employed by the Trust, excluding zero hours contract employees (such as invigilators, cover supervisors and site guardians), during the year was as follows:

	2016 Number	2015 Number
Teachers	167	78
Administration and support	76	36
Management	11	5
	<u>254</u>	<u>119</u>

#### Higher paid staff

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

	2016 Number	2015 Number
£60,000 - £70,000	4	2
£70,001 - £80,000	3	2
£80,001 - £90,000	1	-
£110,001 - £120,000	1	-
	<u>1</u>	<u>4</u>

The comparative figures for 2014-15 reflect only the staffing of Nonsuch High School for Girls, prior to the Nonsuch and Wallington Education Trust being operational.

#### Key management personnel

The key management personnel of the Trust comprise the Trustees and the Executive Team as listed on page 1. The total amount of employee remuneration & benefits (including employer pension contributions) received by key management personnel for their services to the Trust was £556,485.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

#### 9 Trustees' remuneration and expenses

One Trustee has been paid remuneration and other benefits from employment with the Trust. However, the Executive Headteacher only receives remuneration in respect of services she provides in undertaking the role of Executive Headteacher under her contract of employment, and not in respect of her services as a Trustee. Other Trustees did not receive any payments, other than expenses, from the Trust in respect of their role as Trustees.

The value of Trustees' remuneration and other benefits was as follows:

J Burton (Executive Headteacher) - Appointed 1 September 2015

- Remuneration : £115,000 - £120,000 (2015: not appointed)
- Employer's pension contributions : £15,000 - £20,000 (2015: not appointed)

During the year, one Trustee (J. Burton) was reimbursed expenses, in respect of travelling expenses for her role as Executive Headteacher, totalling £705 (2015: £nil).

Other related party transactions involving the Trustees are set out within the related parties note.

#### 10 Trustees and officers insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect Trustees, governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £10,000,000 on any one claim and the cost for the year ended 31 August 2016 was £522 for the Trust (2015: £265 for Nonsuch). The cost of this insurance is included in the total insurance cost.

#### 11 Tangible fixed assets

	Freehold land and buildings £'000	Computer equipment £'000	Fixtures, fittings & equipment £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>					
At 1 September 2015	21,745	118	52	-	21,915
Additions	1,098	-	91	-	1,189
Transfer in	22,449	328	347	25	23,149
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2016	45,292	446	490	25	46,253
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Depreciation</b>					
At 1 September 2015	803	86	43	-	932
Transfer in	948	181	62	9	1,200
Charge for the year	672	114	71	5	862
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2016	2,423	381	176	14	2,994
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Net book value</b>					
At 31 August 2016	42,869	65	314	11	43,259
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
At 31 August 2015	20,942	32	9	-	20,983
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>



# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 11 Tangible fixed assets

The fixed assets and depreciation transferred from Wallington High School for Girls in the current year are separately shown on the 'transfer in' lines of the above disclosure.

Freehold land and buildings includes land of £6,544k at Nonsuch High School for Girls and £5,146k at Wallington High School for Girls.

12 Debtors	2016 £'000	2015 £'000
VAT recoverable	102	98
Other debtors	198	226
Prepayments and accrued income	258	334
	<u>558</u>	<u>658</u>
<b>13 Creditors: amounts falling due within one year</b>	<b>2016 £'000</b>	<b>2015 £'000</b>
Trade creditors	221	427
Other taxation and social security	209	88
Other creditors	84	79
Accruals and deferred income	409	417
	<u>923</u>	<u>1,011</u>
<b>14 Deferred income</b>	<b>2016 £'000</b>	<b>2015 £'000</b>
Deferred income is included within:		
Creditors due within one year	<u>184</u>	<u>126</u>
Deferred income at 1 September 2015	126	132
Released from previous years	(126)	(132)
Amounts deferred in the year	<u>184</u>	<u>126</u>
<b>Deferred income at 31 August 2016</b>	<u>184</u>	<u>126</u>

Deferred income relates to income received in advance of trips and activities taking place in 2016-17 and the unspent catering balances held on behalf of pupils at the year end.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 15 Funds

	Balance at 1 September 2015 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses & transfers £'000	Balance at 31 August 2016 £'000
<b>Restricted general funds</b>					
General Annual Grant	1	12,411	(11,978)	290	724
Other DfE / EFA grants	64	138	(189)	12	25
Other government grants	1	126	(358)	235	4
Other restricted funds	73	1,416	(782)	(550)	157
	<u>139</u>	<u>14,091</u>	<u>(13,307)</u>	<u>(13)</u>	<u>910</u>
Funds excluding pensions	139	14,091	(13,307)	(13)	910
Pension reserve	(1,510)	(1,519)	(209)	(2,013)	(5,251)
	<u>(1,371)</u>	<u>12,572</u>	<u>(13,516)</u>	<u>(2,026)</u>	<u>(4,341)</u>
<b>Restricted fixed asset funds</b>					
DfE / EFA capital grants	1,693	3,774	(198)	30	5,299
Inherited funds	19,117	18,370	(549)	-	36,938
Capital expenditure from GAG and other funds	39	231	(99)	286	457
Capital donation	800	-	(16)	-	784
	<u>21,649</u>	<u>22,375</u>	<u>(862)</u>	<u>316</u>	<u>43,478</u>
<b>Total restricted funds</b>	<u>20,278</u>	<u>34,947</u>	<u>(14,378)</u>	<u>(1,710)</u>	<u>39,137</u>
<b>Unrestricted funds</b>					
General funds	<u>268</u>	<u>1,425</u>	<u>(463)</u>	<u>(303)</u>	<u>927</u>
<b>Total funds</b>	<u>20,546</u>	<u>36,372</u>	<u>(14,841)</u>	<u>(2,013)</u>	<u>40,064</u>

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

The Restricted General Funds are used to fund the general operating costs of the Academies.

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

The Restricted LGPS Fund represents the Academy's share of the LGPS Pension Fund deficit.

The Restricted Fixed Asset Fund represents the net book value of fixed assets £43,259k (2015: £20,983k) plus the unspent element of Capital funds £219k (2015: £666k). When assets are purchased the fund is increased and depreciation charges reduce the fund.

Unrestricted Funds represent balances held at period end that can be applied at the discretion of the Governors, to support any of the Academy's charitable purposes.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

### 15 Funds

#### Total funds analysis by academy

	<b>Total £'000</b>
Fund balances at 31 August 2016 were allocated as follows:	
Nonsuch High School for Girls	255
Wallington High School for Girls	1,582
	<hr/>
Total before fixed assets fund and pension reserve	1,837
Restricted fixed asset fund	43,478
Pension reserve	(5,251)
	<hr/>
Total funds	<u>40,064</u>

#### Total cost analysis by academy

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

	<b>Teaching and educational support staff costs £'000</b>	<b>Other support staff costs £'000</b>	<b>Educational supplies £'000</b>	<b>Other costs excluding depreciation £'000</b>	<b>Total £'000</b>
Nonsuch High School for Girls	4,240	890	755	1,151	7,036
Wallington High School for Girls	5,030	403	628	883	6,944
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	9,270	1,293	1,383	2,034	13,980
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

### 16 Analysis of net assets between funds

	<b>Unrestricted Funds £'000</b>	<b>Restricted funds: General £'000</b>	<b>Fixed asset £'000</b>	<b>Total 2016 £'000</b>
<b>Fund balances at 31 August 2016 are represented by:</b>				
Tangible fixed assets	-	-	43,259	43,259
Current assets	927	1,833	219	2,979
Creditors falling due within one year	-	(923)	-	(923)
Defined benefit pension liability	-	(5,251)	-	(5,251)
	<hr/>	<hr/>	<hr/>	<hr/>
	927	(4,341)	43,478	40,064
	<hr/>	<hr/>	<hr/>	<hr/>

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

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#### 17 Pensions 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, which is managed by the London Borough of Sutton. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £83,167 (2015: £79,357) were payable to the schemes at 31 August 2016 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

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

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

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £1,051k (2014: £422k).

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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### 17 Pensions and similar obligations

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

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

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 25.5% for employers and between 5.5% and 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £410k.

The employer's contribution rate includes additional contributions assessed by the actuaries so as to eliminate the pension fund deficit over a manageable period.

The LGPS obligation relates to the employees of the Academy Trust who were employees transferred as part of the conversion from the maintained school (as described in note 24) together with new employees who joined the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

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

<b>Total contributions made</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Employer's contributions	374	180
Employees' contributions	99	50
	<hr/>	<hr/>
Total contributions	473	230
	<hr/> <hr/>	<hr/> <hr/>
<b>Principal actuarial assumptions</b>	<b>2016</b>	<b>2015</b>
	<b>%</b>	<b>%</b>
Rate of increases in salaries	4.1	4.4
Rate of increase for pensions in payment	2.3	2.6
Discount rate	2.2	4.0
RPI increase	3.2	3.5
CPI increase	2.3	2.6
	<hr/> <hr/>	<hr/> <hr/>

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

#### 17 Pensions and similar obligations

##### Sensitivity Analysis

Scheme liabilities have been valued at £9,279k . The measurement of these liabilities would change in the event that key assumptions underlying their valuation changed.

If the discount rate were to decrease by 0.1%, liabilities would be measured at £9,472k.

If the salaries rate used were to increase by 0.1%, liabilities would be measured at £9,318k.

If the life expectancy were to increase by a year, liabilities would be measured at £9,533k.

If the pension rate were to increase by 0.1%, liabilities would be measured at £9,431k.

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

	<b>2016</b>	<b>2015</b>
	<b>Years</b>	<b>Years</b>
Retiring today		
- Males	22.2	21.7
- Females	24.8	25.0
Retiring in 20 years		
- Males	24.1	23.7
- Females	27.0	27.0

##### The Academy Trust's share of the assets in the scheme

	<b>2016</b>	<b>2015</b>
	<b>Fair value</b>	<b>Fair value</b>
	<b>£'000</b>	<b>£'000</b>
Equities	2,773	1,048
Bonds	291	203
Gilts	695	234
Property	269	116
Other assets	-	82
Total market value of assets	4,028	1,683
Actual return on scheme assets - gain/(loss)	545	3

##### Amounts recognised in the statement of financial activities

	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Current service cost (net of employee contributions)	470	232
Net interest cost	113	31

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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### 17 Pensions and similar obligations

<b>Changes in the present value of defined benefit obligations</b>	<b>2016 £'000</b>
Obligations at 1 September 2015	3,193
Obligations acquired on conversion	3,075
Current service cost	460
Interest cost	248
Employee contributions	99
Actuarial loss	2,433
Benefits paid	(229)
	<hr/>
At 31 August 2016	9,279
	<hr/>
<b>Changes in the fair value of the Academy Trust's share of scheme assets</b>	<b>2016 £'000</b>
Assets at 1 September 2015	1,683
Assets acquired on conversion	1,556
Interest income	125
Return on plan assets (excluding amounts included in net interest): Actuarial gain	420
Employer contributions	374
Employee contributions	99
Benefits paid	(229)
	<hr/>
At 31 August 2016	4,028
	<hr/>

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2016

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<b>18 Reconciliation of net income/(expenditure) to net cash flows from operating activities</b>	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Net income/(expenditure) for the reporting period	21,531	(121)
Adjusted for:		
Net deficit/(surplus) transferred on conversion	(21,590)	-
Capital grants from DfE/EFA and other capital income	(426)	(1,035)
Investment income	(25)	(11)
Defined benefit pension costs less contributions payable	96	52
Defined benefit pension net finance cost/(income)	113	31
Depreciation of tangible fixed assets	862	329
Losses/(profits) on disposals of fixed assets	-	483
(Increase)/decrease in debtors	100	1,362
Increase/(decrease) in creditors	(88)	272
Stocks, debtors and creditors transferred on conversion	(328)	-
<b>Net cash provided by operating activities</b>	<u>245</u>	<u>1,362</u>

### 19 Commitments under operating leases

At 31 August 2016 the total future minimum lease payments under non-cancellable operating leases were as follows:

	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Amounts due within one year	15	15
Amounts due in two and five years	7	15
	<u>22</u>	<u>30</u>

### 20 Capital commitments

	<b>2016</b>	<b>2015</b>
	<b>£'000</b>	<b>£'000</b>
Expenditure contracted for but not provided in the Financial Statements	<u>238</u>	<u>984</u>

The capital commitment at 31 August 2016 represents the unspent capital balance which is earmarked for capital spending in 2016-17 on the on-going Condition Improvement Fund works at both schools and in respect of the insurance claim for flood damage at Wallington High School for Girls.

The capital commitment for 2015 represented the school expansion programme at Nonsuch High School for Girls which was completed during 2015-16.

Reserves are also earmarked at Wallington High School for Girls for the construction of a new Learning Resource Centre, two new Science Laboratories, Drama Studio and general condition related maintenance.



# **NONSUCH AND WALLINGTON EDUCATION TRUST**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2016**

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### **21 Related party transactions**

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

The Trust is the controlling party of its trading subsidiary Nonsuch Business Enterprises Limited ("NBE"). During the period, the Trust received income from NBE for rent and other income of £93,108 (2015: £41,392). Amounts due from NBE to the Trust at the year end totalled £49,580 (2015: £nil), and are included in debtors.

Nonsuch Business Enterprises Limited operates for the benefit of the students of Nonsuch High School for Girls by donating all of its profits either (i) to Nonsuch and Wallington Education Trust for the benefit of Nonsuch High School for Girls, or (ii) to Nonsuch High School Charitable Trust (see below), a charitable company also established to support Nonsuch High School for Girls. As the company operates with no retained earnings and no net assets, no consolidation has been prepared as there would be no material impact on the Trust's reserves.

The Trust received income during the period amounting to £136,292 (2015: £964,997) from the Nonsuch High School Charitable Trust (NHSCT) (Company number 07205273 and registered charity number 1137656) for the benefit of Nonsuch High School for Girls. The Charitable Trust is a related party by virtue of common governors and objectives, although it does not share trustees with Nonsuch and Wallington Education Trust. At 31 August 2016 £nil (2015: £94,521) of income was due to the Trust from the Charitable Trust and is included in debtors.

In entering into the transactions with NBE and NHSCT, the Trust has complied with the requirements of the EFA's Academies Financial Handbook.

### **22 Members' liability**

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

### **23 Agency arrangements**

The Trust distributes 16-19 bursary funds to students as an agent for the EFA. In the accounting period ending 31 August 2016, the Trust received £39,425 (Nonsuch £15,735; Wallington £23,690) and disbursed £39,425 (Nonsuch £15,735; Wallington £23,844) from the fund.

Reflecting the position at Wallington High School for Girls, an amount of £2,066 (2015: £2,220) is included within creditors: amounts falling due in less than one year relating to undistributed funds brought forward that are repayable to the EFA. However, as has been the practice in previous years, the Trust may release these funds for 16-19 Bursary payments to eligible students of Wallington High School for Girls in future financial years.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

#### 24 Donations - transfer from Wallington High School for Girls

On 1 September 2015 Wallington High School for Girls became part of the Trust and all of its operations, assets and liabilities were transferred to Nonsuch and Wallington Education Trust by Wallington High School for Girls (company no. 07635448) for £nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as donations – transfer from Wallington High School.

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

Academy	Location	Date of transfer
Wallington High School for Girls	Surrey	1 September 2015

	2016 £'000
<b>Net assets transferred:</b>	
Freehold land and buildings	21,949
Cash	1,488
LGPS pension surplus/(deficit)	(1,519)
Debtors	168
Creditors	(496)
	<u>21,590</u>

	Unrestricted Funds £'000	Restricted funds: General £'000	Fixed asset £'000	Total 2016 £'000
<b>Funds surplus/(deficit) transferred:</b>				
Fixed assets funds	-	-	21,949	21,949
LGPS pension funds	-	(1,519)	-	(1,519)
Other funds	580	580	-	1,160
	<u>580</u>	<u>(939)</u>	<u>21,949</u>	<u>21,590</u>

The presentation of the Statement of Financial Activities from Wallington High School for Girls does not mirror the original 2014-15 Annual Report & Accounts due to the treatment of unspent capital £30k on transfer. This has been moved from General Restricted to Fixed Asset funds.

# NONSUCH AND WALLINGTON EDUCATION TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2016

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#### 25 Reconciliations on adoption of FRS 102

The transition to FRS 102 affected the figures reported for the comparative period under previous UK GAAP for funds and net income or expenditure, as follows.

##### Reconciliation of funds for the previous financial period

	1 September 2014 £'000	31 August 2015 £'000
Notes		
Funds as reported under previous UK GAAP	19,145	20,363
Adjustments arising from transition to FRS 102:		
Recognition of capital grants	1,392	183
Funds reported under FRS 102	<u>20,537</u>	<u>20,546</u>

##### Reconciliation of net income/(expenditure) for the previous financial period

	2015 £'000
Notes	
Net income as reported under previous UK GAAP	1,088
Adjustments arising from transition to FRS 102:	
Recognition of capital grants	<u>(1,209)</u>
Net expenditure reported under FRS 102	<u>(121)</u>

##### Notes to reconciliations on adoption of FRS 102

A capital grant was awarded in 2013/14, which was recognised in the 2013/14 and 2014/15 accounts to match related expenditure, in accordance with UK GAAP at the time. The transition adjustment above reflects the re-statement required as a result of adopting FRS102, under which recognition of grant of £1,209k would have arisen in 2013/14, when awarded, instead of in 2014/15 as originally accounted for under UK GAAP. This adjustment has no impact on the fund balances reported at 31 August 2016.