

Company Registration No. 08671076 (England and Wales)

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS

FOR THE YEAR ENDED 31 AUGUST 2015

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

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TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees	R Meredith (Chief Executive Officer) S Heesom S Cox (Chair) K Lee L Richards (Resigned 1 June 2015) A Day (Resigned 1 January 2015) T Laxton (Resigned 1 January 2015)	
Members	R Meredith S Heesom K Lee S Cox	
Senior management team - Chief Executive Officer - Teaching School Director - Operations Director	R Meredith S Heesom S Cox	
Company secretary	A Brown	
Company registration number	08671076 (England and Wales)	
Registered office	110b Main Road Wilford Nottingham NG11 7AL	
Academies operated Transform Trust Highbank Primary School Edale Rise Primary School	Location Nottingham Nottingham Nottingham	Executive Head G Civil J Swingler
Independent auditor	UHY Hacker Young 22 The Ropewalk Nottingham NG1 5DT	

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds Bank
Market Square House
Old Market Square
Nottingham
NG1 6FD

Solicitors

Browne Jacobson
Mowbray House
Castle Meadow Road
Nottingham
NG2 1BJ

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The trustees present their annual report together with the accounts and independent auditor's reports of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The trustees of TT2014 (formerly known as Transform Trust) are also the directors of the charitable company for the purposes of company law. The charitable company is known as TT2014.

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

During the year, the Academy Trust traded from 1st September 2014 to 31st December 2014. During that period Transform Trust was renamed TT2014. All trading activities, assets and liabilities were transferred to Sneinton St Stephen's C of E Primary School (renamed Transform Trust) with effect from 1st January 2015. During the period to 31 December 2014 TT2014 continued to control the operation of Highbank Primary & Nursery School and Edale Rise Primary & Nursery School. With effect from 1st January 2015, TT2014 has ceased to trade.

Members' liability

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

Trustees' indemnities

Details of the insurance cover are provided in note 9 to the financial statements.

Method of recruitment and appointment or election of trustees

Under the terms of its Articles, the Academy Trust shall have the following Directors:

- The number of Governors shall be not less than three but (unless otherwise determined by ordinary resolution) shall not be subject to any maximum.
- Subject to Articles, the Academy Trust shall have the following Directors:
 - Up to 5 Directors appointed by the Sponsor under Article 50
 - Up to 4 Chairs of Governors of Member Academies under Article 51-52
 - Up to 2 Parent Governors appointed under Articles 53-56
 - The Executive Principal

Terms of office

The term of office for any Director shall be 4 years, save that this time limit shall not apply to the Principal. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Policies and procedures adopted for the induction and training of trustees

During the year under review the Trust Board met twice. The training and induction provided for new Directors depends on their previous experience. All Directors are provided with previous minutes and face to face inductions with the Operations Director, plus provided copies of documents that they will need to undertake their role as Directors.

Organisational structure

The organisational structure consisted of three levels: the Trust Directors, the Member Academy Local Governing Body and the Academy Leadership Team. The aim of the management structure was to devolve responsibility and encourage involvement in decision making at the individual Academy level.

The Directors were responsible for setting general policy, adopting an annual plan and budget, monitoring each Academy by the use of budgets and making major decisions about the direction of each Academy's capital expenditure and senior staff appointments.

The Academy Local Governing Body and Academy Leadership Teams were delegated authority to control each Academy implementing the policies adopted by Trust and Local Governing Body. As a group the Academy Leadership Teams were responsible for the authorisation of spending up to a level delegated to them within agreed budgets and the appointment of staff, although appointment boards for posts in the Senior Leadership Team always contain a Governor. Some spending control was devolved to members of the Senior Leadership Team, with limits above which a member of the Core Leadership Team must countersign.

The Senior Leadership Teams were responsible for the day to day operation of the Academy, in particular organising the teaching staff, facilities and students. This structure empowered staff at all levels to take responsibility to improve and review their working practice.

Connected organisations including related party relationships

The Academy worked closely with Transform Teaching School Alliance, Sneinton St Stephen's C of E Primary School, NCTL, Nottingham Learning Trust as well as Nottingham University and Nottingham City LA in supporting schools. The Chief Executive held regular sessions with a strategy group consisting of member Academy schools.

Objectives and activities

Objects and aims

The Academy Trust's object ("the Object") is specifically restricted to the following:

- to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum or educational institutions which are principally concerned with providing full-time or part-time education for children of compulsory school age who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Objectives, strategies and activities

During the period, TT2014's children were central to all our endeavours. We judged everything that took place in our schools according to its impact on the children.

Decisions were made in accordance with the prime directive that TT2014 is a place of learning for the whole school community.

The Academy Trust produced a Development Plan on an annual basis where it detailed how it intended to achieve the aims and objectives for the year.

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academy Trust aimed to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people were fully valued.

The policy of the Academy Trust was to support recruitment and retention of students and employees with disabilities. The Academy Trust did this by adapting the physical environment, by making support resources available.

Public benefit

The Directors confirm that they have complied with the Charities Act 2006 to have due regard to the Charities Commission's general guidance on public benefit and in particular to its supplementary public benefit on advancing education.

During the period, TT2014 was a Multi Academy Trust catering for children aged 3 to 11 which strived to promote and support the advancement of education within a local context. The schools provided an extensive programme of educational and recreational activity - all designed to contribute to the overall education of our students in areas such as academic distinction, music, the arts and sport. For example the school: adopted a specialist teacher model in PE, and Music; worked in conjunction with external organisations (e.g., sporting clubs) to enhance the curriculum experiences for the children; provided excellent links with local secondary schools to help transition of pupils and provided curricular/staff CPD support and also worked within the local community to ensure that it was central to community cohesion.

Wherever possible the trust also aimed to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities. For example, a Local Residents Group Parents Group to support children.

In setting our objectives and planning our activities the Directors gave careful consideration to the Charity Commission's general guidance on public benefit. The Directors believe that the Academy Trust's aims, together with the activities outlined above, were demonstrably to the public benefit.

Strategic report

Achievements and performance

Following the ceasing of trading, there are no Academies within TT2014 from 1 January 2015. All results for Academies that were part of the Trust up to 31st December 2014 are now reported within Transform Trust (Company No. 08320065). A summary of the achievements and performance of the academies is included in the financial statements of Transform Trust.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Going concern

The academies, and their associated assets and liabilities, were transferred to Transform Trust on 1 January 2015 and TT2014 ceased to operate from that date. An assessment of going concern is not applicable in these circumstances.

Financial review

Most of the Academy Trust's recurrent income was obtained from the EFA in the form of grants, the use of which was restricted to particular purposes. The grants received from the EFA during the period ended 31 August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

As at 1 January 2015 the assets and liabilities held by the Trust were transferred to Transform Trust, leaving nil balances in TT2014 as at 31 August 2015.

Reserves policy

The Trustees reviewed the reserve levels of the Academy Trust throughout the year. This review encompassed the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves. It was Trust policy to hold minimal reserves, its aim being to maximise funding available for the Trust's primary purpose - the provision of school education.

Investment policy and powers

The Academy Trust undertook to maximise returns from investments, minimise risk and maintain flexibility and access to funds.

Principal risks and uncertainties

The Directors assessed the major risks to which the Academy Trust was exposed, in particular those relating to the specific teaching, provision of facilities and other operational areas of the Academy Trust, and its finances. The Local Governing Bodies for each Academy implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to manage risk. Where significant financial risk still remained they ensured they had adequate insurance cover. The Academy Trust had an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Financial and risk management objectives and policies

During the period of operation, the Academy Trust did not use complex financial instruments. It managed its activities using cash and various items such as trade debtors and trade creditors that arose directly from its operations.

The existence of these financial instruments exposed the Academy Trust to a number of financial risks which are described in more detail below. The main risks arising from the Trust's financial instruments were liquidity risk and cash flow interest rate risk.

Liquidity risk - The Trust managed its cash resources, including sufficient working capital, so that all its operating needs were met without the need for short-term borrowing.

Interest rate risk - the Trust earned interest on cash deposits.

Credit risk arose from the possibility that amounts owed to the Trust would not be repaid. The Trust did not undertake credit activities so it was only exposed to credit risk as it arose from normal business. Credit risk was managed through the use of approved banks and the prompt collection of amounts due.

The main risks that the Trust was exposed to are summarised below. For each of these risks the probability, impact and seriousness was considered together with appropriate action and management plans:

Operational and reputational - risks to the running of the Academy Trust (including the capacity of staff and buildings to meet the needs of pupils) and its performance in delivering the curriculum.

Financial - risks to the Academy Trust's financial position, including revenue streams, cost control and cash management

The risks to which the Academy Trust was exposed arose both internally and externally. External risks included those in respect of future funding levels, competition, changes to rules and regulations, and the financial position of the staff pension schemes.

Plans for future periods

There are no plans to utilise this company for educational activities in the future.

Funds held as custodian trustee on behalf of others

The Trust does not hold any funds on behalf of others.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Auditor

In so far as the trustees are aware:

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

A resolution proposing that UHY Hacker Young be reappointed as auditor of the of the charitable company will be put to the members.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 18 December 2015 and signed on its behalf by:

R Meredith
Chief Executive Officer

S Cox
Chair

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

Scope of responsibility

As trustees we acknowledge we have overall responsibility for ensuring that TT2014 (Formerly Known As Transform Trust) has an effective and appropriate system of control, financial and otherwise. However, such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives, and can provide only reasonable and not absolute assurance against material misstatement or loss.

The board of trustees delegated the day-to-day responsibility to both the executive head, and the operations director who is also the accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between TT2014 (Formerly Known As Transform Trust) and the Secretary of State for Education. They were also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees formally met twice during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustees	Meetings attended	Out of possible
R Meredith (Chief Executive Officer)	2	2
S Heesom	2	2
S Cox (Chair)	2	2
K Lee	2	2
L Richards (Resigned 1 June 2015)	1	2
A Day (Resigned 1 January 2015)	0	2
T Laxton (Resigned 1 January 2015)	1	2

Review of value for money

As accounting officer the Chief Executive Officer had responsibility for ensuring that the academy trust delivered 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 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 TT2014 for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

Capacity to handle risk

The board of trustees has reviewed the key risks to which the academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there was a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks that was in place for the period 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and accounts.

The risk and control framework

The academy trust's system of internal financial control was 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 included:

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

The board of trustees considered the need for a specific internal audit function and decided to appoint Schools and Academies Finance Limited (SAAF) as internal auditor. SAAF reviewed the systems of internal control in each Academy school, and reports were considered by the board of trustees.

The auditor's role included giving advice on financial matters and performing a range of checks on the academy trust's financial systems.

Review of effectiveness

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

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

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

The accounting officer has been advised by internal and external audit following their review of the system of internal control.

Approved by order of the board of trustees on 18 December 2015 and signed on its behalf by:

S Cox
Chair

R Meredith
Chief Executive Officer

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2015

As accounting officer of TT2014 (formerly known as Transform Trust) I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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.

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.

Approved on 18 December 2015 and signed by:

R Meredith
Accounting Officer

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who also act as governors for TT2014 (formerly known as Transform Trust) and are also the directors of TT2014 (formerly known as Transform Trust) for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare accounts for each financial year. Under company law the trustees must not approve the accounts 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 accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- 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 accounts; and
- prepare the accounts 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 accounts 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 the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the board of trustees on 18 December 2015 and signed on its behalf by:

S Cox
Chair

R Meredith
Chief Executive Officer

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

We have audited the accounts of TT2014 (formerly known as Transform Trust) for the year ended 31 August 2015 set out on pages 18 to 41. 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) and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

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 13, the trustees, who are also the directors of TT2014 (formerly known as Transform Trust) for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the accounts 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 accounts

An audit involves obtaining evidence about the amounts and disclosures in the accounts sufficient to give reasonable assurance that the accounts 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 accounts. In addition, we read all the financial and non-financial information in the Trustees' Annual Report to identify material inconsistencies with the audited accounts 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 accounts

In our opinion the accounts:

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

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

Opinion on other matter prescribed by the Companies Act 2006

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

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 accounts 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.

Jonathan Warsop ACA FCCA (Senior Statutory Auditor)

UHY Hacker Young

Chartered Accountants

Statutory Auditor

Dated: 18 December 2015

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST) AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 23 October 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by TT2014 (formerly known as Transform Trust) during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to TT2014 (formerly known as Transform Trust) and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to the TT2014 (formerly known as Transform Trust) and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the TT2014 (formerly known as Transform Trust) and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of TT2014 (formerly known as Transform Trust)'s accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of TT2014 (formerly known as Transform Trust)'s funding agreement with the Secretary of State for Education dated 29 September 2013 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST) AND THE EDUCATION FUNDING AGENCY (CONTINUED)

The work undertaken to draw to our conclusion includes:

- An assessment of the risk of material irregularity and impropriety within the trust.
- Testing of those areas identified through risk assessment, including reviewing internal controls, analytical review and enquiries of management.
- Consideration of the evidence and concluding on the work carried out.

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 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Jonathan Warsop ACA FCCA
Reporting Accountant
UHY Hacker Young

Dated: 18 December 2015

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

**STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Notes	Unrestricted funds £	Restricted funds £	Fixed Asset funds £	Total 2015 £	Total 2014 £
<u>Incoming resources</u>						
<i>Resources from generated funds</i>						
- Inherited on conversion		-	-	-	-	2,317,351
- Activities for generating funds	2	30,816	3,037	-	33,853	109,885
- Investment income	3	235	-	-	235	306
<i>Resources from charitable activities</i>						
- Funding for educational operations	4	-	1,012,798	7,840	1,020,638	2,095,454
Total incoming resources		31,051	1,015,835	7,840	1,054,726	4,522,996
<u>Resources expended</u>						
<i>Costs of generating funds</i>						
- Fundraising trading	5	-	-	-	-	28,534
<i>Charitable activities</i>						
- Educational operations	6	-	1,057,940	23,221	1,081,161	2,088,854
Governance costs	7	-	36,527	-	36,527	108,477
Other	22	355,979	(758,680)	2,476,870	2,074,169	-
Total resources expended	5	355,979	335,787	2,500,091	3,191,857	2,225,865
Net incoming/(outgoing) resources before transfers		(324,928)	680,048	(2,492,251)	(2,137,131)	2,297,131
Gross transfers between funds		-	(287)	287	-	-
Net income/(expenditure) for the year		(324,928)	679,761	(2,491,964)	(2,137,131)	2,297,131
<u>Other recognised gains and losses</u>						
Actuarial gains/(losses) on defined benefit pension scheme	16	-	-	-	-	(160,000)
Net movement in funds		(324,928)	679,761	(2,491,964)	(2,137,131)	2,137,131
Fund balances at 1 September 2014		324,928	(679,761)	2,491,964	2,137,131	-
Fund balances at 31 August 2015		-	-	-	-	2,137,131

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from discontinued operations during the financial period above.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)**BALANCE SHEET****AS AT 31 AUGUST 2015**

	Notes	2015 £	£	2014 £	£
Fixed assets					
Tangible assets	10		-		2,491,964
Current assets					
Stocks	11	-		10,077	
Debtors	12	-		423,142	
Cash at bank and in hand		-		607,786	
				<u>1,041,005</u>	
Current liabilities					
Creditors: amounts falling due within one year	13	-		(701,838)	
				<u></u>	
Net current assets			-		339,167
			<u></u>		<u></u>
Net assets excluding pension liability			-		2,831,131
Defined benefit pension asset/(liability)	16		-		(694,000)
			<u></u>		<u></u>
Net assets			-		2,137,131
			<u></u>		<u></u>
Funds of the academy trust:					
Restricted funds	15				
- Fixed asset funds			-		2,491,964
- General funds			-		14,239
- Pension reserve			-		(694,000)
			<u></u>		<u></u>
Total restricted funds			-		1,812,203
Unrestricted income funds	15		-		324,928
			<u></u>		<u></u>
Total funds			-		2,137,131
			<u></u>		<u></u>

The accounts were approved by order of the board of trustees and authorised for issue on 18 December 2015.

R Meredith
Chief Executive Officer

S Cox
Chair

Company Number 08671076

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)**CASH FLOW STATEMENT****FOR THE YEAR ENDED 31 AUGUST 2015**

		2015	2014
	Notes	£	£
Net cash inflow/(outflow) from operating activities	17	(607,734)	243,549
Cash funds transferred on conversion		-	335,821
Returns on investments and servicing of finance			
Investment income		235	306
		<u>235</u>	<u>306</u>
Net cash inflow/(outflow) from returns on investments and servicing of finance		235	306
		<u>235</u>	<u>306</u>
		(607,499)	579,676
Capital expenditure and financial investments			
Capital grants received		7,840	82,290
Payments to acquire tangible fixed assets		(8,127)	(54,180)
		<u>7,840</u>	<u>82,290</u>
		<u>(8,127)</u>	<u>(54,180)</u>
Net cash flow from capital activities		(287)	28,110
		<u>(287)</u>	<u>28,110</u>
Increase/(decrease) in cash	18	(607,786)	607,786
		<u>(607,786)</u>	<u>607,786</u>

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

1.1 Basis of preparation

The accounts have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

1.2 Going concern

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

At 1 January 2015 the two schools operating within the Multi - Academy Trust were transferred via a donation to the ultimate parent, Transform Trust (formerly Sneinton St Stephen's Church of England Academy). The accounts have been prepared on the basis that the company has no assets or liabilities and will remain dormant for the foreseeable future.

1.3 Incoming resources

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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 entitlement of receipt its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable, where there is certainty of receipt and the value of the donation is measurable.

Donations

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

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

Other income

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

Donated services and gifts in kind

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

1.4 Resources expended

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

Costs of generating funds

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

Charitable activities

These are costs incurred on the academy trust's educational operations.

Governance costs

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

All resources expended are inclusive of irrecoverable VAT.

Donations of assets and liabilities

All assets and liabilities of the Multi-Academy Trust were transferred via a donation to the ultimate parent trust, Transform Trust (formerly Sneinton St Stephen's Church of England Academy), on 1 January 2015.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long leasehold land & buildings	15-50 years
Computer equipment	3 years
Fixtures, fittings & equipment	5 years

1.6 Leasing and hire purchase commitments

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

1.7 Stock

Stock is valued at the lower of cost and net realisable value. Net realisable value is based on estimated selling price less further costs to completion and disposal. Provision is made for obsolete and slow moving stock.

1.8 Taxation

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

1.9 Pensions benefits

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

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

1 Accounting policies

(Continued)

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in Note 16, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

1.10 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency/Department for Education.

2 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Other income	4,747	-	4,747	14,511
Staff recharges	-	-	-	53,062
Consultancy income	26,069	-	26,069	36,726
Trip income	-	3,037	3,037	5,586
	<u>30,816</u>	<u>3,037</u>	<u>33,853</u>	<u>109,885</u>

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

3 Investment income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Short term deposits	235	-	235	306
	<u>235</u>	<u>-</u>	<u>235</u>	<u>306</u>

4 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
DfE / EFA grants				
General annual grant (GAG)	-	810,103	810,103	1,540,009
Capital grants	-	7,840	7,840	82,290
Other DfE / EFA grants	-	125,350	125,350	293,000
	<u>-</u>	<u>943,293</u>	<u>943,293</u>	<u>1,915,299</u>
Other government grants				
Other grants	-	77,345	77,345	180,155
	<u>-</u>	<u>77,345</u>	<u>77,345</u>	<u>180,155</u>
Total funding	<u>-</u>	<u>1,020,638</u>	<u>1,020,638</u>	<u>2,095,454</u>

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

5 Resources expended

	Staff costs & £	Premises equipment £	Other costs £	Total 2015 £	Total 2014 £
Academy's educational operations					
- Direct costs	645,682	-	47,532	693,214	1,294,292
- Allocated support costs	129,941	63,604	194,402	387,947	794,562
	<u>775,623</u>	<u>63,604</u>	<u>241,934</u>	<u>1,081,161</u>	<u>2,088,854</u>
Other expenditure					
Costs of activities for generating funds	-	-	-	-	28,534
Governance costs	-	-	36,527	36,527	108,477
	<u>-</u>	<u>-</u>	<u>36,527</u>	<u>36,527</u>	<u>137,011</u>
Total expenditure	<u>775,623</u>	<u>63,604</u>	<u>278,461</u>	<u>1,117,688</u>	<u>2,225,865</u>

Net income/(expenditure) for the year includes:	2015 £	2014 £
Operating leases		
- Plant and machinery	4,229	3,764
Fees payable to auditor		
- Audit	5,000	8,850
	<u>5,000</u>	<u>8,850</u>

Central services

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

- financial services;
- legal services;
- educational support services;
- HR services.

The academy trust charges for these services on the following basis:

- flat percentage of income (5%).

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

5 Resources expended (Continued)

The amounts charged during the year were as follows: **Total
£**

Transform Trust	-
Highbank Primary School	21,118
Edale Rise Primary School	25,842
	46,960
	46,960

6 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Direct costs				
Teaching and educational support staff costs	-	628,129	628,129	1,223,739
Educational supplies and services	-	32,838	32,838	23,431
Staff development	-	17,553	17,553	14,207
Other direct costs	-	14,694	14,694	32,915
	-	693,214	693,214	1,294,292
	-	693,214	693,214	1,294,292
Allocated support costs				
Support staff costs	-	129,941	129,941	284,489
Depreciation	-	23,221	23,221	59,746
Technology costs	-	38,421	38,421	68,783
Maintenance of premises and equipment	-	40,383	40,383	131,257
Cleaning	-	3,959	3,959	8,055
Energy costs	-	11,572	11,572	24,931
Rent and rates	-	13,836	13,836	13,705
Insurance	-	10,625	10,625	21,682
Security and transport	-	484	484	1,560
Catering	-	36,186	36,186	62,492
Interest and finance costs	-	-	-	10,000
Other support costs	-	79,319	79,319	107,862
	-	387,947	387,947	794,562
	-	387,947	387,947	794,562
Total costs	-	1,081,161	1,081,161	2,088,854

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

7 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Legal and professional fees	-	31,527	31,527	99,627
Auditor's remuneration				
- Audit of financial statements	-	5,000	5,000	8,850
	<u>-</u>	<u>36,527</u>	<u>36,527</u>	<u>108,477</u>
	<u>-</u>	<u>36,527</u>	<u>36,527</u>	<u>108,477</u>

8 Staff costs

	2015 £	2014 £
Wages and salaries	554,839	1,133,528
Social security costs	37,787	76,935
Other pension costs	84,920	181,485
	<u>677,546</u>	<u>1,391,948</u>
Supply teacher costs	80,524	144,814
Staff development and other staff costs	17,553	14,207
	<u>775,623</u>	<u>1,550,969</u>
	<u>775,623</u>	<u>1,550,969</u>

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

	2015 Number	2014 Number
Teachers	20	25
Administration and support	40	34
	<u>60</u>	<u>59</u>
	<u>60</u>	<u>59</u>

The figures for 2015 relate to the 4-month period to 31 December 2014 only.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

8 Staff costs (Continued)

The number of employees whose annual remuneration was £60,000 or more was:

	2015 Number	2014 Number
£60,000 - £70,000	2	2
£80,000 - £90,000	1	1
	<u> </u>	<u> </u>

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows:

		2015	2014
Teachers' Pension Scheme	Numbers	2	2
	£	5,877	17,456
		<u> </u>	<u> </u>
Local Government Pension Scheme	Numbers	1	1
	£	5,346	16,039
		<u> </u>	<u> </u>

The operations director at TT2014 is also a director of Transform Teaching Schools Alliance Limited. In the previous period to 31 August 2014, recharges of £44,000 were received from Transform Teaching School Alliance Limited as a contribution towards the salary costs of the operations director.

9 Trustees' remuneration and expenses

The Accounting Officer and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Accounting Officer and staff, and not in respect of their services as trustees. During the period, the Accounting Officer, was reimbursed £1,149 (2014: £6,855) in respect of expenses incurred on behalf of the school. The trustees did not receive any payments, including expenses, from the academy trust in respect of their role as trustees.

The value of trustees' remuneration, including pension costs, was as follows:

S Cox (Chair) £35,000 - £40,000 (2014: £105,000 - £110,000)

The remuneration disclosed relates to the 4-month period to 31 December 2014.

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

Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £2,000,000 on any one claim but the exact cost for the year ended 31 August 2015 cannot be quantified.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

10 Tangible fixed assets

	Long leasehold land & buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£	£	£	£
Cost				
At 1 September 2014	2,458,021	41,234	52,455	2,551,710
Additions	-	4,067	4,060	8,127
Donation of assets	(2,458,021)	(45,301)	(56,515)	(2,559,837)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2015	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Depreciation				
At 1 September 2014	44,766	8,735	6,245	59,746
Eliminated on donation of assets	(59,419)	(13,768)	(9,780)	(82,967)
Charge for the year	14,653	5,033	3,535	23,221
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 August 2015	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Net book value				
At 31 August 2015	-	-	-	-
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 August 2014	2,413,255	32,499	46,210	2,491,964
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

Land and buildings includes two properties.

The property relating to Highbank Primary was transferred from Nottingham City Council on 1 October 2013. In March 2014 the land & buildings were valued by a qualified firm of chartered surveyors at the direct request of the Education Funding Agency. The valuation was undertaken using the depreciated replacement cost method and resulted in a valuation at that date of £1,381,000 of which £65,000 was land.

The property relating to Edale Rise Primary was transferred from Nottingham City Council on 1 April 2014. In August 2014 the land & buildings were valued by a qualified firm of chartered surveyors. The valuation was undertaken using the depreciated replacement cost method and resulted in a valuation at that date of £1,040,000 of which £195,000 was land.

On 1 January 2015 all tangible fixed assets were transferred to the ultimate parent, Transform Trust (formerly Sneinton St Stephen's Church of England Academy).

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

11 Stocks	2015	2014
	£	£
Stock	-	10,077
	<u> </u>	<u> </u>
12 Debtors	2015	2014
	£	£
Trade debtors	-	2,800
Amounts owed by group undertakings	-	81,302
Other debtors	-	129,921
Prepayments and accrued income	-	209,119
	<u> </u>	<u> </u>
	-	423,142
	<u> </u>	<u> </u>
13 Creditors: amounts falling due within one year	2015	2014
	£	£
Trade creditors	-	209,383
Amounts owed to group undertakings	-	163,850
Taxes and social security costs	-	30,177
Other creditors	-	38,017
Accruals	-	31,883
Deferred income	-	228,528
	<u> </u>	<u> </u>
	-	701,838
	<u> </u>	<u> </u>
14 Deferred income	2015	2014
	£	£
Deferred income is included within:		
Creditors due within one year	-	228,528
	<u> </u>	<u> </u>
Total deferred income at 1 September 2014	228,528	-
Amounts credited to the statement of financial activities	(228,528)	-
Amounts deferred in the year	-	228,528
	<u> </u>	<u> </u>
Total deferred income at 31 August 2015	-	228,528
	<u> </u>	<u> </u>

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

15 Funds

	Balance at 1 September 2014	Incoming resources	Resources expended	Gains, losses & transfers	Balance at 31 August 2015
	£	£	£	£	£
Restricted general funds					
General Annual Grant	2,649	810,103	(812,465)	(287)	-
Other DfE / EFA grants	-	125,350	(125,350)	-	-
Other government grants	-	77,345	(77,345)	-	-
Other restricted funds	11,590	3,037	(14,627)	-	-
	<u>14,239</u>	<u>1,015,835</u>	<u>(1,029,787)</u>	<u>(287)</u>	<u>-</u>
Funds excluding pensions	14,239	1,015,835	(1,029,787)	(287)	-
Pension reserve	(694,000)	-	694,000	-	-
	<u>(679,761)</u>	<u>1,015,835</u>	<u>(335,787)</u>	<u>(287)</u>	<u>-</u>
Restricted fixed asset funds					
DfE / EFA capital grants	2,491,964	7,840	(2,500,091)	287	-
	<u>2,491,964</u>	<u>7,840</u>	<u>(2,500,091)</u>	<u>287</u>	<u>-</u>
Total restricted funds	<u>1,812,203</u>	<u>1,023,675</u>	<u>(2,835,878)</u>	<u>-</u>	<u>-</u>
Unrestricted funds					
General funds	324,928	31,051	(355,979)	-	-
	<u>324,928</u>	<u>31,051</u>	<u>(355,979)</u>	<u>-</u>	<u>-</u>
Total funds	<u>2,137,131</u>	<u>1,054,726</u>	<u>(3,191,857)</u>	<u>-</u>	<u>-</u>

The specific purposes for which the funds were applied were as follows:

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

Restricted fixed asset funds were resources which were applied to specific capital purposes imposed by the Education Funding Agency, Department for Education or other funders where the asset acquired or created was held for a specific purpose.

Restricted general funds comprised all other restricted funds received and included grants from the Education Funding Agency and the Department for Education.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

15 Funds

(Continued)

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

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total
	£	£	£	£	£
Transform Trust	20,613	45,126	23	100,876	166,638
Highbank Primary School	306,400	43,129	21,083	93,827	464,439
Edale Rise Primary School	301,117	41,687	11,730	108,858	463,392
	<u>628,130</u>	<u>129,942</u>	<u>32,836</u>	<u>303,561</u>	<u>1,094,469</u>

16 Pensions and similar obligations

The academy trust's employees belonged 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 Nottinghamshire County Council. Both are multi-employer defined benefit schemes.

The pension costs were 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 £Nil (2014: £30,277) were payable to the schemes at 31 August 2015 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.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

16 Pensions and similar obligations

(Continued)

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £36,000 (2014: £79,000).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The 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 liabilities arising under the LGPS were transferred to Transform Trust (formerly Sneinton St Stephen's Church of England Academy) on 1 January 2015 and the operation of that scheme is dealt with in the accounts for the year ended 31 August 2015.

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.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

16 Pensions and similar obligations

(Continued)

Contributions made	2015	2014
	£	£
Employer's contributions	49,000	72,000
Employees' contributions	17,000	23,000
	<u> </u>	<u> </u>
Total contributions	<u>66,000</u>	<u>95,000</u>

The LGPS was transferred to Transform Trust at its actuarial valuation as at 31 Aug 2014. These accounts do not include any actuarial adjustments in respect of contributions for the period to 31 December 2014. All such adjustments are recognised in the accounts of Transform Trust for the year ended 31 August 2015.

Principal actuarial assumptions	2015	2014
	%	%
Rate of increase in salaries	N/A	4.5
Rate of increase for pensions in payment	N/A	2.7
Discount rate for scheme liabilities	N/A	4.0
Inflation assumption (CPI)	N/A	3.5
CPI increases	N/A	2.7
	<u> </u>	<u> </u>

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

	2015	2014
	Years	Years
Retiring today		
- Males	N/A	22
- Females	N/A	25
Retiring in 20 years		
- Males	N/A	24
- Females	N/A	27
	<u> </u>	<u> </u>

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

16 Pensions and similar obligations

(Continued)

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

	2015	2015	2014	2014
	Expected	Fair value	Expected	Fair value
	return		return	
	%	£	%	£
Equities	N/A	-	6.5	438,000
Bonds	N/A	-	3.6	41,000
Gilts	N/A	-	3.0	35,000
Cash	N/A	-	2.9	26,000
Property	N/A	-	5.5	68,000
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total market value of assets		-		608,000
Present value of scheme liabilities - funded		-		(1,302,000)
		<u> </u>		<u> </u>
Net pension asset / (liability)		-		(694,000)
		<u> </u>		<u> </u>

Of the total liability of £694,000 outstanding at 31 August 2014, £363,000 related to Highbank Primary and £331,000 related to Edale Rise Primary.

Amounts recognised in the statement of financial activities

	2015	2014
	£	£
Operating costs/(income)		
Current service cost (net of employee contributions)	-	80,000
Past service cost	-	-
	<u> </u>	<u> </u>
Total operating charge	-	80,000
	<u> </u>	<u> </u>
Finance costs/(income)		
Expected return on pension scheme assets	-	(23,000)
Interest on pension liabilities	-	33,000
	<u> </u>	<u> </u>
Net finance costs/(income)	-	10,000
	<u> </u>	<u> </u>
Total charge/(income)	-	90,000
	<u> </u>	<u> </u>

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

16 Pensions and similar obligations (Continued)

Actuarial gains and losses recognised in the statement of financial activities

	2015	2014
	£	£
Actuarial (gains)/losses on assets: actual return less expected	-	(15,000)
Experience (gains)/losses on liabilities	-	-
(Gains)/losses arising from changes in assumptions	-	175,000
	<u>-</u>	<u>160,000</u>
Total (gains)/losses	<u>-</u>	<u>160,000</u>
	<u>-</u>	<u>-</u>
Cumulative (gains)/losses to date	<u>-</u>	<u>-</u>

Movements in the present value of defined benefit obligations

	2015	2014
	£	£
Obligations at 1 September 2014	-	(991,000)
Current service cost	-	(80,000)
Interest cost	-	(33,000)
Contributions by employees	-	(23,000)
Actuarial gains/(losses)	-	(175,000)
	<u>-</u>	<u>-</u>
At 31 August 2015	<u>-</u>	<u>(1,302,000)</u>

Movements in the fair value of scheme assets

	2015	2014
	£	£
Assets at 1 September 2014	-	475,000
Expected return on assets	-	23,000
Actuarial gains/(losses)	-	15,000
Contributions by employers	-	72,000
Contributions by employees	-	23,000
	<u>-</u>	<u>-</u>
At 31 August 2015	<u>-</u>	<u>608,000</u>

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

16 Pensions and similar obligations	(Continued)	
History of experience gains and losses		
	2015	2014
	£	£
Present value of defined benefit obligations	-	(1,302,000)
Fair value of share of scheme assets	-	608,000
	<u> </u>	<u> </u>
Surplus / (deficit)	-	(694,000)
	<u> </u>	<u> </u>
Experience adjustment on scheme assets	-	15,000
Experience adjustment on scheme liabilities	-	-
	<u> </u>	<u> </u>
17 Reconciliation of net income to net cash inflow/(outflow) from operating activities	2015	2014
	£	£
Net income	(2,137,131)	2,297,131
Capital grants and similar income	(7,840)	(82,290)
Net deficit/(surplus) transferred on donation	-	(2,317,351)
Net surplus transferred to Transform Trust	1,782,870	-
Investment income	(235)	(306)
FRS17 pension costs less contributions payable	-	8,000
FRS17 pension finance income	-	10,000
Depreciation of tangible fixed assets	23,221	59,746
(Increase)/decrease in stocks	10,077	(10,077)
(Increase)/decrease in debtors	423,142	(423,142)
Increase/(decrease) in creditors	(701,838)	701,838
	<u> </u>	<u> </u>
Net cash inflow/(outflow) from operating activities	(607,734)	243,549
	<u> </u>	<u> </u>
18 Reconciliation of net cash flow to movement in net funds	2015	2014
	£	£
Increase/(decrease) in cash	(607,786)	607,786
Net funds at 1 September 2014	607,786	-
	<u> </u>	<u> </u>
Net funds at 31 August 2015	-	607,786
	<u> </u>	<u> </u>

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

19 Analysis of net funds

	At 1 September 2014	Cash flows	Non-cash changes	At 31 August 2015
	£	£	£	£
Cash at bank and in hand	607,786	(607,786)	-	-
	<u>607,786</u>	<u>(607,786)</u>	<u>-</u>	<u>-</u>

20 Commitments under operating leases

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

	2015	2014
	£	£
Expiry date:		
- Within one year	-	1,425
- Between two and five years	-	12,533
	<u>-</u>	<u>13,958</u>
	<u>-</u>	<u>13,958</u>

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

21 Related parties

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

TT2014 (formerly known as Transform Trust) is a subsidiary in a group which contains Transform Teaching Schools Alliance Limited ("TTSA"). The ultimate parent company during the year was Transform Trust (formerly known as Sneinton St Stephen's Church of England Primary School).

Transform Trust

During the year, Transform Trust received other income of £nil (2014: £21,000) on behalf of TT2014, which were paid from Transform Trust to TT2014. Also during the period TT2014 made sales of £nil (2014: £7,000) to Transform Trust and incurred staff costs and expenses of £46,981 (2014: £191,850) from Transform Trust. The balance owed to Transform Trust at the year end is £nil (2014: £163,850).

Transform Teaching Schools Alliance Limited

During the year, TT2014 recharged staff costs of £nil (2014: £49,461) and made sales of £nil (2014: £1,150) to TTSA. TT2014 also made purchases of £3,088 (2014: £14,482) from TTSA and paid £nil (2014: £45,173) to TTSA. At the year end the balance owed to Transform Trust is £nil (2014: £81,302).

Bulwell St Mary's School

During the year TT2014 procured staff services from Bulwell St Mary's School amounting to £nil (2014: £8,955), a school whose Executive Head, Rebecca Meredith, is also Executive Head of Transform Trust.

EPIC Partners

During the year TT2014 made purchases from EPIC Partners amounting to £nil (2014: £2,498) and received income of £276 (2014: £nil), a company where one of their directors, Rebecca Meredith, is also Executive Head of Transform Trust.

Also during the year there were transactions with a trustee's close family member amounting to £1,926.

TT2014 (FORMERLY KNOWN AS TRANSFORM TRUST)

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

22 Donation of assets and liabilities

On 1 January 2015 the Multi - Academy Trust transferred all of its operations and assets and liabilities via a donation to its ultimate parent Transform Trust (formerly Sneinton St Stephen's Church of England Academy) for £nil consideration.

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.

Funds surplus/(deficit) transferred:	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total 2015 £
Fixed assets funds	-	-	(2,476,870)	(2,476,870)
LGPS pension funds	-	694,000	-	694,000
Other funds	(355,979)	64,680	-	(291,299)
	<u>(355,979)</u>	<u>758,680</u>	<u>(2,476,870)</u>	<u>(2,074,169)</u>

Net assets transferred:	£
Leasehold land and buildings	(2,398,602)
Tangible fixed assets apart from land and buildings	(78,268)
Pension surplus/(deficit)	694,000
Restricted funds	64,680
Unrestricted funds	(355,979)
	<u>(2,074,169)</u>

23 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.