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ISEBROOK SEN COGNITION & LEARNING COLLEGE
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

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ISEBROOK SEN COGNITION & LEARNING COLLEGE
(A company limited by guarantee)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members

J L Boyt
P Burch
R Burrows
S G Cooke
M S Frost

Trustees

D C Williams, Head Teacher (resigned 10 April 2016)
A J Shiells
A C Burdett (resigned 31 August 2016)
E A Clipstone
J L Boyt
P Burch
R Burrows
S G Cooke
M S Frost
J Walker (appointed 16 March 2016)
S Rustage (appointed 11 October 2016)
K J Latham, Head Teacher (appointed 1 September 2016)
A Bailey (appointed 16 March 2016)

Company registered number

09392862

Company name

Isebrook SEN Cognition & Learning College

Principal and registered office

Eastleigh Road, Kettering, Northamptonshire, NN15 6PT

Senior management team for the year

D C Williams, Headteacher
R M Gargon, Deputy Headteacher
J A Barton, Business Director
S Ross, Assistant Headteacher
T J Hall, Assistant Headteacher

Independent auditors

Streets Audit LLP, 3 Wellbrook Court, Girton, Cambridge, CB3 0NA

Bankers

Lloyds Bank Plc, Kettering, Northamptonshire, NN16 0AH

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Advisers (continued)

Solicitors

Duncan A Pickering, 4 Southfields, Bourne, PE10 9TZ

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ISEBROOK SEN COGNITION & LEARNING COLLEGE
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 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.

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, governance and management

a. CONSTITUTION

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Trust deed is under a Memorandum of Association dated 16 January 2015.

The Trustees of Isebrook SEN Cognition & Learning College are also the directors of the charitable company for the purpose of company law.

Details of the Trustees who served during the are included in the Reference and administrative details on page 1.

b. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before they ceased to be a member.

c. TRUSTEES' INDEMNITIES

In accordance with normal commercial practice, the academy has purchased insurance to protect the Trustees and officers from claims arising from negligent acts, errors or omissions whilst on academy business. The insurance provides cover up to £5,000,000.

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

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

e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

All new trustees are expected to undertake formal induction training organised by the National Governor's Association or Local Authority. Trustees are also expected to undertake formal training in areas of responsibility such as Safeguarding, SEN, Health and Safety, Performance Management etc. The Clerk keeps a record of trustee training. There is a dedicated training budget for trustees.

New trustees are also provided with a Trustee Induction Pack which includes policies, procedures, minutes, accounts, budgets, plans and other relevant academy trust documents.

f. ORGANISATIONAL STRUCTURE

The trustees may delegate to any trustee, committee, the Principal or any other holder of executive office, such of their powers or functions as they consider desirable to be exercised by them.

Where delegation has occurred, reporting back to the board of trustees must occur at the earliest opportunity.

The trustees shall appoint the Principal. The trustees may delegate such powers and functions as they consider are required by the Principal for the internal organisation, management and control of the Special academy trust (including the implementation of all policies approved by the trustees and for the direction of teaching and curriculum at the Special academy trust).

g. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

The academy is not part of any connected organisations.

Objectives and Activities

a. OBJECTS AND AIMS

Our aims are:

- To provide a creative and stimulating teaching and learning environment within which all students have an equal opportunity to develop to their full potential.
- To create a caring, welcoming and safe environment where all students will be able to build self-esteem and develop self confidence and independence.
- To work in partnership with parents and carers, supporting professionals and the local education community to meet students' educational needs.
- To deliver a broad, balanced, relevant and differentiated curriculum including elements which will promote the spiritual, moral, cultural and social development of all students and prepare them for opportunities, responsibilities and experiences of adult life.
- To continue to develop skills and expertise amongst the staff group to meet the specialist needs of students in the college.
- To prepare students for further education, employment and leisure, independent living and to take a positive role in a multi-cultural society.
- To develop the involvement of the Isebrook's Governing Body and the local community in the life of the college.
- To be an advocate for people with special educational needs within the wider community, developing awareness, understanding and acceptance.

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

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

Our strategies and activities are:

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To raise the standard of educational achievement of all pupils;
- To improve the effectiveness of the academy trust by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended;
- To comply with all appropriate statutory and curriculum requirements;
- To conduct the academy trust's business in accordance with the highest standards of integrity, probity and openness; and
- To facilitate families in the management of the additional demands associated with parenting a child with a disability and mitigate the emotional and capacity impact.

c. PUBLIC BENEFIT

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the academy's objectives and aims and in planning future activities for the year. Given the activities of the academy and the student population that it services, the trustees consider that the company's aims are demonstrably to the public benefit.

Achievements and performance

a. GOING CONCERN

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

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

b. REVIEW OF ACTIVITIES INCLUDING KEY PERFORMANCE INDICATORS

The academy trust uses a number of financial key performance indicators to monitor the financial success of the academy trust and progress/improvement against the targets set.

The academy trust monitors the Cost Centres within the academy trust and reviews their balances termly to review their cash flow and maintain a positive cash balance.

Staffing costs are monitored as a percentage of restricted charitable income. For the period ended 31 August 2016 staffing costs amounted to 81.2% (2015: 77.87%).

The academy trust also monitors its operating surplus or deficit as a percentage of total income. For the period ended 31 August 2016 the operating surplus equated to 14.5% (2015: 19.32%).

Most of the academy trust's income is obtained from the DFE in the form of recurrent grants disbursed via the Education Funding Agency (EFA), the use of which is restricted to particular purposes. The grants received from the DFE during the period ended 31 August 2016 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

What have been our successes this year?

Our skilled staff team has been able to take the school forward in a number of ways. This has resulted in developing high standards of learning and teaching and excellent progress made across the school.

Behaviour across the school continues to be managed extremely well with very few disruptions to learning.

Our class structures enable all children to be taught in small groups throughout the timetable, supporting all to develop their skills and understanding. This year we have particularly focussed on:

- Ensuring all leavers have appropriate accreditation to support them into their next stage
- Improving attendance so that students are available to learn
- Implement our "alternative curriculum" to provide motivating and engaging learning outside of the classroom.

How well are our pupils doing?

Our end of key stage results show that students at Isebrook SEN College achieve well when compared to national levels.

When students start in Key Stage 3 they join us either from our local primary SEND school, or from mainstream primary schools. The pupils from main-stream schools often have wide range of additional social and emotional needs due to not being successful in the mainstream setting. A lot of work is put in place to enable the pupils to gain / regain their love of learning and this is shown in the progress that all students make.

Due to the focus we give to supporting individual needs and targeting interventions across the school, by the end of year 11 the majority of students have made good to outstanding individual progress.

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

What are our results at the end Key Stage 4?

Students gain a range of qualifications and awards at the end of Year 11 including portfolio based accreditations such as Laser awards and WJEC Entry Path-ways. Students are also entered, if appropriate, for examinations and one of our students gained a GCSE in art.

Students at Isebrook SEN College achieve extremely well in relation to their starting points in Year 7 and as the table shows students perform exceptionally well in English and Maths making outstanding progress. In PSHE students make good progress, this is not outstanding as a significant number of students made below expected progress

As can be seen from the table an area for development is science, and as such Isebrook has employed a science teacher and put in support to develop the science curriculum to ensure all students have opportunities to succeed.

	Below Expected	Expected	Above Expected
English (23)	0	17%	83%
Maths (23)	0%	30%	70%
Science (20)	75%	10%	15%
PSHE (23)	25%	5%	70%

What are our outcomes for students in Post 16?

Again, based on students aspirations, a range of courses are offered to students in the sixth form. 1 student left mid-way through Year 13 for personal reasons, however all other leavers left at the end of the year with at least one accreditation; including portfolio and examination based accreditation. All students left Isebrook with positive destinations.

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

Financial review

a. PRINCIPAL RISKS AND UNCERTAINTIES AND RISK MANAGEMENT

The Trustees have assessed the major risks to which the academy is exposed, in particular those related to the operations and finances of the academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

The principal risks facing the academy trust are:

- Reputational risk – mitigated by having policies and practices relating to safeguarding and use of social media which are monitored and updated when necessary.
- Performance Risk - mitigated by the school evaluating its performance throughout the year. There is also a school improvement plan which makes provision in respect of recruitment, CPD and reorganisation to manage risk.
- Financial Risk – the principal risk factors are a reduction in pupil numbers, reduction in Government funding, unbudgeted costs of teaching and support staff costs and unforeseen capital repairs. These risks are mitigated by monitoring and reporting to Trustees on a termly basis and predictive measures in financial planning.
- Risks associated with personnel – there is absence insurance in place to mitigate the risk. HR policies have been developed with the guidance of an HR provider.

The academy trust practices through its Board, namely the board of trustees and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

The board of trustees accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the board of trustees collectively, whilst more minor risks are dealt with by senior executive officers.

b. RESERVES POLICY

The Trustees require a revenue reserve to be created to fund future expenditure related to the Academy Development Plan's strategic long-term aims and developments and a capital reserve for future capital expenditure. The policy of the Academy is to carry forward a prudent level of resources designed to meet the long-term cyclical needs of renewal and any other unforeseen contingencies. Unrestricted reserves at the year end were £293,250.

c. MATERIAL INVESTMENTS POLICY

The academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the academy aims to invest surplus cash funds to optimise returns, whilst ensuring that the investment instruments are such that there is no risk to the loss of these funds.

Investments may only be made in accordance with written procedures approved by the Trustees.

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Plans for future periods

a. FUTURE DEVELOPMENTS

The academy trust will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to prepare students for further education, employment and leisure, independent living and to take a positive role in a multi-cultural society.

The academy have highlighted the following specific future developments:

- New build proposed to open September 2018 to provide Key Stage 4 classrooms, specialist learning environments including media and technology, and further increasing the school capacity
- Closer working partnerships with other schools and organisations:
 - 19-25 provision for students with SEND
 - Collaborative models of working to support governance and financial management

FUNDS HELD AS CUSTODIAN

The academy trust does not hold funds as custodian trustee on behalf of others

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

This report was approved by order of the board of trustees as the company directors, on _____ and signed on its behalf by:

R Burrows
Chair of Trustees

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Isebrook SEN Cognition & Learning College and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 2 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
D C Williams, Head Teacher	0	0
A J Shiells	5	6
A C Burdett	4	6
E A Clipstone	3	6
J L Boyt	6	6
P Burch	6	6
R Burrows	5	6
S G Cooke	5	6
M S Frost	4	6
J Walker	3	4
A Bailey	3	4

The Finance Committee is a sub-committee of the main board of trustees. Its purpose is to ensure proper financial administration arrangements are in place that enables the Governing Body to fulfil its statutory responsibilities for financial management and also demonstrate the achievement of key financial administration standards required by Ofsted and the Audit Commission.

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GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
D C Williams, Head Teacher	0	0
P Burch	5	5
R Burrows	5	5
S G Cooke	4	5
A Bailey	2	2

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Principal has responsibility for ensuring that the academy 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 academy's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

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THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of academy 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 Isebrook SEN Cognition & Learning College for the year 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 board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 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 board of trustees.

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

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

The board of trustees has considered the need for a specific internal audit function and appointed Julia Raftery Consulting Ltd to perform a detailed review.

The reviewer's role includes giving advice on financial matters and performing a range of checks on the academy's financial systems. The trustees are reviewing the results of the review and plan to implement the recommendations in the current year.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Principal 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 peer reviewer;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

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

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

R Burrows
Chair of Trustees

K J Latham, Head Teacher
Accounting Officer

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Isebrook SEN Cognition & Learning College 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 2015.

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

K J Latham
Accounting Officer

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ISEBROOK SEN COGNITION & LEARNING COLLEGE
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STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016

The Trustees (who act as governors of Isebrook SEN Cognition & Learning College and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on

and signed on its behalf by:

R Burrows
Chair of Trustees

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ISEBROOK SEN COGNITION & LEARNING COLLEGE**

We have audited the financial statements of Isebrook SEN Cognition & Learning College for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" 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 Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the academy'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 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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ISEBROOK SEN COGNITION & LEARNING COLLEGE**

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

Robert Anderson (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

3 Wellbrook Court
Girton
Cambridge
CB3 0NA
Date:

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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INDEPENDENT REPORTING AUDITORS' ASSURANCE REPORT ON REGULARITY TO ISEBROOK SEN COGNITION & LEARNING COLLEGE AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 21 April 2015 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 Isebrook SEN Cognition & Learning College during the year 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 Isebrook SEN Cognition & Learning College and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Isebrook SEN Cognition & Learning College 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 Isebrook SEN Cognition & Learning College and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF ISEBROOK SEN COGNITION & LEARNING COLLEGE'S ACCOUNTING OFFICER AND THE REPORTING AUDITORS

The accounting officer is responsible, under the requirements of Isebrook SEN Cognition & Learning College's funding agreement with the Secretary of State for Education dated 26 February 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 year 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 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's income and expenditure.

The work undertaken to draw to our conclusion includes:

- A review of the academy's systems and controls and confirmation of the operation and effectiveness during the year;
- A review of expenditure to confirm the appropriateness and value for money; and
- A review of connected party arrangements, transactions and balances.

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Robert Anderson (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

3 Wellbrook Court
Girton
Cambridge
CB3 0NA

Date:

DRAFT

ISEBROOK SEN COGNITION & LEARNING COLLEGE
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	<i>Total funds Period ended 2015 £</i>
INCOME FROM:						
Donations and capital grants	2	-	-	5,316	5,316	11,015,865
Charitable activities	5	24,318	2,902,679	-	2,926,997	1,441,805
Other trading activities	3	23,779	-	-	23,779	13,826
Investments	4	1,219	-	-	1,219	111
TOTAL INCOME		49,316	2,902,679	5,316	2,957,311	12,471,607
EXPENDITURE ON:						
Charitable activities		-	2,916,357	23,838	2,940,195	1,475,475
TOTAL EXPENDITURE	6	-	2,916,357	23,838	2,940,195	1,475,475
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	17	49,316 (108,380)	(13,678) -	(18,522) 108,380	17,116 -	10,996,132 -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		(59,064)	(13,678)	89,858	17,116	10,996,132
Actuarial gains/(losses) on defined benefit pension schemes	21	-	(448,000)	-	(448,000)	39,000
NET MOVEMENT IN FUNDS		(59,064)	(461,678)	89,858	(430,884)	11,035,132
RECONCILIATION OF FUNDS:						
Total funds brought forward		352,314	(802,313)	11,485,131	11,035,132	-
TOTAL FUNDS CARRIED FORWARD		293,250	(1,263,991)	11,574,989	10,604,248	11,035,132

ISEBROOK SEN COGNITION & LEARNING COLLEGE

(A company limited by guarantee)
REGISTERED NUMBER: 09392862BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	14		11,574,989		11,485,131
CURRENT ASSETS					
Debtors	15	78,524		62,019	
Cash at bank and in hand		322,708		396,152	
			<u>401,232</u>	<u>458,171</u>	
CREDITORS: amounts falling due within one year	16	(64,973)		(102,170)	
NET CURRENT ASSETS			<u>336,259</u>		<u>356,001</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>11,911,248</u>		<u>11,841,132</u>
Defined benefit pension scheme liability	21		(1,307,000)		(806,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>10,604,248</u>		<u>11,035,132</u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	43,009		3,687	
Restricted fixed asset funds	17	11,574,989		11,485,131	
			<u>11,617,998</u>	<u>11,488,818</u>	
Restricted income funds excluding pension liability					
Pension reserve		(1,307,000)		(806,000)	
			<u>10,310,998</u>	<u>10,682,818</u>	
Total restricted income funds			<u>10,310,998</u>		<u>10,682,818</u>
Unrestricted income funds	17		293,250		352,314
TOTAL FUNDS			<u>10,604,248</u>		<u>11,035,132</u>

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

R Burrows
Chair of Trustees

The notes on pages 22 to 39 form part of these financial statements.

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	31 August 2016 £	<i>Period ended 31 August 2015 £</i>
Cash flows from operating activities			
Net cash provided by operating activities	19	<u>36,155</u>	<u>414,216</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		(1,219)	(111)
Purchase of tangible fixed assets		<u>(108,380)</u>	<u>(17,953)</u>
Net cash used in investing activities		<u>(109,599)</u>	<u>(18,064)</u>
Change in cash and cash equivalents in the year		(73,444)	396,152
Cash and cash equivalents brought forward		<u>396,152</u>	-
Cash and cash equivalents carried forward	20	<u><u>322,708</u></u>	<u><u>396,152</u></u>

ISEBROOK SEN COGNITION & LEARNING COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

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 of financial statements

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

The company was incorporated on 16 January 2015 and commenced operations on 1 March 2015. Accordingly the prior period results represent six months of operations.

Isebrook SEN Cognition & Learning College constitutes a public benefit entity as defined by FRS 102.

1.2 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

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

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the academy has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Grants are included in the Statement of financial activities incorporating income and expenditure account 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 Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Going concern

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

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.6 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Long leasehold buildings are not depreciated on the grounds of immateriality. Long leasehold buildings are subject to regular maintenance and repair such that in the governors opinion the residual value is not materially different from the value in the financial statements and have a long useful economic life. The governors consider the need for impairment at each period end.

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 incorporating income and expenditure account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Leasehold improvements	-	10% Straight Line
Motor vehicles	-	20% Straight Line
Fixtures and fittings	-	10% Straight Line
Computer equipment	-	20% Straight Line

1.7 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

1.8 Taxation

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

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 Financial instruments

The academy only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 21, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

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 incorporating income and expenditure account 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

1.14 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

Tangible fixed assets are recognised at cost or valuation, less accumulated depreciation and any impairment. Depreciation takes place over the estimated useful life, down to the assessed residual value. The carrying amount of the academy's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 21, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

2. DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	<i>Total funds Period ended 2015 £</i>
Assets on conversion	-	-	-	-	11,007,376
Capital Grants	-	-	5,316	5,316	8,489
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and capital grants	-	-	5,316	5,316	11,015,865
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

In 2015, of the total income from donations and capital grants, £338,376 was to unrestricted funds and £10,669,000 was to restricted funds.

3. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	<i>Total funds Period ended 2015 £</i>
Hire of premises	23,779	-	23,779	13,826
	<hr/>	<hr/>	<hr/>	<hr/>

In 2015 of the total income from other trading activities, £13,826 was to unrestricted funds and £NIL was to restricted funds.

4. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	<i>Total funds Period ended 2015 £</i>
Investment income	1,219	-	1,219	111
	<hr/>	<hr/>	<hr/>	<hr/>

In 2015, of the total investment income, £111 was to unrestricted funds and £NIL was to restricted funds.

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	<i>Total funds Period ended 2015 £</i>
DfE/EFA grants				
General Annual Grant (GAG)	-	1,443,674	1,443,674	699,939
Other EFA grants	-	12,600	12,600	61,702
	-	1,456,274	1,456,274	761,641
Other government grants				
Other government grants	-	1,446,405	1,446,405	660,913
	-	1,446,405	1,446,405	660,913
Other funding				
Other income	24,318	-	24,318	19,251
	24,318	-	24,318	19,251
	24,318	2,902,679	2,926,997	1,441,805

In 2015, of the total income from charitable activities, £19,251 was to unrestricted funds and £1,431,043 was to restricted funds.

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	<i>Total 2015 £</i>
Educational Operatio:					
Direct costs	2,080,866	-	312,745	2,393,611	1,158,524
Support costs	296,143	163,164	87,277	546,584	316,951
	2,377,009	163,164	400,022	2,940,195	1,475,475

In 2016, of the total expenditure, £NIL (2015 - NIL) was to unrestricted funds and £2,940,197 (2015 - £1,475,475) was to restricted funds.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

7. CHARITABLE ACTIVITIES

	Total funds 2016 £	<i>Total funds Period ended 2015 £</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	1,704,440	815,463
National insurance	113,364	58,795
Pension cost	263,062	127,449
Pension income	31,000	-
Educational supplies	65,138	44,743
Examination fees	11,314	3,570
Staff development	43,131	20,072
Technology costs	6,145	13,531
Educational consultancy	84,349	28,805
Travel and subsistence	5,733	2,563
Insurance	-	1,399
Other	65,935	42,134
	<u>2,393,611</u>	<u>1,158,524</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	234,867	91,313
National insurance	9,766	4,773
Pension cost	51,510	24,596
Depreciation	18,522	3,822
Pension finance costs	-	33,000
Maintenance of premises and equipment	82,029	57,164
Cleaning	42,773	1,809
Energy	42,253	20,407
Insurance	4,554	1,007
Catering	6,415	15,103
Other	-	22,825
Professional fees	48,195	34,732
Audit fees	5,700	6,400
	<u>546,584</u>	<u>316,951</u>
	<u><u>2,940,195</u></u>	<u><u>1,475,475</u></u>

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

8. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	31 August 2016 £	<i>Period ended 31 August 2015 £</i>
Depreciation of tangible fixed assets: - owned by the charity	18,522	<i>3,822</i>

9. AUDITORS' REMUNERATION

The Auditor's remuneration includes an Audit fee of £5,000 (2015 - £5,000), and accounting services of £ 700(2015 - £1,400).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

10. STAFF COSTS

Staff costs were as follows:

	31 August 2016 £	<i>Period ended 31 August 2015 £</i>
Wages and salaries	1,939,307	919,087
Social security costs	123,130	63,568
Operating costs of defined benefit pension schemes	314,572	152,045
	<u>2,377,009</u>	<u>1,134,700</u>
Other costs	-	23,739
	<u><u>2,377,009</u></u>	<u><u>1,158,439</u></u>

The average number of persons employed by the academy during the year was as follows:

	31 August 2016 No.	<i>Period ended 31 August 2015 No.</i>
Teachers	20	20
Administration and support	70	67
Management	4	5
	<u>94</u>	<u>92</u>

Average headcount expressed as a full time equivalent:

	31 August 2016 No.	<i>Period ended 31 August 2015 No.</i>
Teachers	23	20
Administration and support	63	67
Management	4	5
	<u>90</u>	<u>92</u>

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

	31 August 2016 No.	<i>Period ended 31 August 2015 No.</i>
In the band £60,001 - £70,000	2	0
In the band £70,001 - £80,000	0	1

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

The above employee participates in the Teachers' Pension Scheme.

Key Management personnel

The key management personnel of the academy comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £XXX (2015: £153,606).

Included in wages and salaries are non-statutory/non-contractual severance payments totalling £25,000 (2015: £nil). This was for one individual payment made.

11. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 3 Trustees (2015 - 3) in respect of defined contribution pension schemes.

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees, The value of Trustees' remuneration and other benefits was as follows:

During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was £4,554 (2015 - £1,007).

13. OTHER FINANCE INCOME

	31 August 2016 £	<i>Period ended 31 August 2015 £</i>
Interest income on pension scheme assets	17,000	<i>(13,000)</i>
Interest on pension scheme liabilities	(48,000)	<i>(20,000)</i>
	<u>(31,000)</u>	<i><u>(33,000)</u></i>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2015	11,445,000	26,000	5,187	12,766	11,488,953
Additions	-	12,758	60,972	34,650	108,380
At 31 August 2016	<u>11,445,000</u>	<u>38,758</u>	<u>66,159</u>	<u>47,416</u>	<u>11,597,333</u>
Depreciation					
At 1 September 2015	-	2,607	199	1,016	3,822
Charge for the year	-	7,645	5,768	5,109	18,522
At 31 August 2016	<u>-</u>	<u>10,252</u>	<u>5,967</u>	<u>6,125</u>	<u>22,344</u>
Net book value					
At 31 August 2016	<u>11,445,000</u>	<u>28,506</u>	<u>60,192</u>	<u>41,291</u>	<u>11,574,989</u>
At 31 August 2015	<u>11,445,000</u>	<u>23,393</u>	<u>4,988</u>	<u>11,750</u>	<u>11,485,131</u>

Long-term leasehold property is stated at the valuation provided to the Academy by the EFA on conversion. The valuation includes land at £410,000 which is not depreciated.

15. DEBTORS

	2016 £	2015 £
Trade debtors	2,835	12,245
Other debtors	29,275	23,271
Prepayments and accrued income	46,414	26,503
	<u>78,524</u>	<u>62,019</u>

16. CREDITORS: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	1,922	-
Other taxation and social security	44,684	33,118
Accruals and deferred income	18,367	69,052
	<u>64,973</u>	<u>102,170</u>

ISEBROOK SEN COGNITION & LEARNING COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

16. CREDITORS: Amounts falling due within one year (continued)

	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	4,952	-
Resources deferred during the period	5,129	4,952
Amounts released from previous years	(4,952)	-
	5,129	4,952
Deferred income at 31 August 2016	5,129	4,952

At the balance sheet date, the academy had received income in advance in relation to the new term.

17. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	352,314	49,316	-	(108,380)	-	293,250
	352,314	49,316	-	(108,380)	-	293,250
Restricted funds						
General Annual Grant (GAG)	3,687	1,443,674	(1,404,352)	-	-	43,009
Other EFA Grants	-	12,600	(12,600)	-	-	-
Other Government Grants	-	1,446,405	(1,446,405)	-	-	-
Pension reserve	(806,000)	-	(53,000)	-	(448,000)	(1,307,000)
	(802,313)	2,902,679	(2,916,357)	-	(448,000)	(1,263,991)
	(802,313)	2,902,679	(2,916,357)	-	(448,000)	(1,263,991)
Restricted fixed asset funds						
EFA Capital Grants	-	5,316	(5,316)	-	-	-
Assets transferred on conversion	11,468,393	-	-	-	-	11,468,393
Assets acquired with funding	16,738	-	(18,522)	108,380	-	106,596
	11,485,131	5,316	(23,838)	108,380	-	11,574,989
	11,485,131	5,316	(23,838)	108,380	-	11,574,989
Total restricted funds	10,682,818	2,907,995	(2,940,195)	108,380	(448,000)	10,310,998
	10,682,818	2,907,995	(2,940,195)	108,380	(448,000)	10,310,998
Total of funds	11,035,132	2,957,311	(2,940,195)	-	(448,000)	10,604,248
	11,035,132	2,957,311	(2,940,195)	-	(448,000)	10,604,248

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

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17. STATEMENT OF FUNDS (continued)

Unrestricted funds:

General funds - those resources which may be used towards meeting any of the objects of the academy at the discretion of the governors. These have not been designated for particular purposes.

Restricted funds:

General Annual Grant (GAG) - made up of a number of different funding streams from the EFA, all of which are to be used to cover the running costs of the academy.

Other EFA/Government grants - represent EFA grants received for specific purposes.

Pension reserve - represents the current deficit balance of the Local Government Pension Scheme (LGPS).

Restricted fixed asset funds:

EFA capital grants - represents unspent grants received for which the specific purpose of capital expenditure has been imposed by the funder.

Assets transferred on conversion - represents land, buildings and other assets transferred to the academy by the Local Authority upon conversion.

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	<i>Total funds Period ended 2015 £</i>
Tangible fixed assets	8,529	-	11,566,460	11,574,989	11,485,131
Current assets	293,250	107,982	-	401,232	458,171
Creditors due within one year	-	(64,973)	-	(64,973)	(102,170)
Provisions for liabilities and charges	-	(1,307,000)	-	(1,307,000)	(806,000)
	<u>293,250</u>	<u>(1,263,991)</u>	<u>11,574,989</u>	<u>10,604,248</u>	<u>11,035,132</u>

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19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	31 August 2016 £	<i>Period ended 31 August 2015 £</i>
Net income for the year (as per Statement of financial activities)	17,116	<i>10,996,132</i>
Adjustment for:		
Depreciation charges	18,522	<i>3,822</i>
Dividends, interest and rents from investments	1,219	<i>111</i>
(Decrease)/increase in provisions	53,000	<i>43,000</i>
Increase in debtors	(16,505)	<i>(62,019)</i>
(Decrease)/increase in creditors	(37,197)	<i>102,170</i>
Donated assets	-	<i>(11,007,376)</i>
Cash transferred on conversion to academy	-	<i>338,376</i>
Net cash provided by operating activities	36,155	<i>414,216</i>

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	31 August 2016 £	<i>Period ended 31 August 2015 £</i>
Cash in hand	322,708	<i>396,152</i>
Total	322,708	<i>396,152</i>

21. PENSION COMMITMENTS

The academy's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Northamptonshire County Council. Both are Multi-employer defined benefit pension schemes.

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

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

Teachers' Pension Scheme

Introduction

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

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21. PENSION COMMITMENTS (continued)

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 employer's pension costs paid to TPS in the period amounted to £XXX (2015 - £66,000).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (www.teacherspensions.co.uk/news/employers/2014/06/publication-of-the-valuation-report.aspx).

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 assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £XXXX (2015 - £77,000), of which employer's contributions totalled £154,000 (2015 - £70,000) and employees' contributions totalled £37,000 (2015 - £17,000). The agreed contribution rates for future years are 22% for employers and 12.5% for employees.

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

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21. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.10 %	3.80 %
Rate of increase in salaries	4.10 %	4.60 %
Rate of increase for pensions in payment / inflation	2.10 %	2.70 %

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

	2016	2015
Retiring today		
Males	22.3	22.3
Females	24.3	24.3
Retiring in 20 years		
Males	24	24
Females	26.6	26.6

The academy's share of the assets in the scheme was:

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	459,000	254,000
Bonds	123,000	69,000
Property	52,000	33,000
Cash	12,000	7,000
Total market value of assets	<u>646,000</u>	<u>363,000</u>

The actual return on scheme assets was £(448,000) (2015 - £20,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	31 August 2016 £	Period ended 31 August 2015 £
Current service cost (net of employee contributions)	(176,000)	(80,000)
Net interest cost	(31,000)	(33,000)
Total	<u>(207,000)</u>	<u>(113,000)</u>

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21. PENSION COMMITMENTS (continued)

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

	31 August 2016	<i>Period ended 31 August 2015</i>
	£	£
Opening defined benefit obligation	1,169,000	1,085,000
Current service cost	176,000	80,000
Interest cost	48,000	20,000
Contributions by employees	37,000	17,000
Actuarial losses/(gains)	523,000	(33,000)
	<u>1,953,000</u>	<u>1,169,000</u>

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

	31 August 2016	<i>Period ended 31 August 2015</i>
	£	£
Opening fair value of scheme assets	363,000	283,000
Return on plan assets (excluding net interest on the net defined pension liability)	-	(13,000)
Interest income	17,000	-
Actuarial gains and (losses)	75,000	6,000
Contributions by employer	154,000	70,000
Contributions by employees	37,000	17,000
	<u>646,000</u>	<u>363,000</u>

22. CONTINGENT LIABILITIES

In the event of Isebrook SEN Cognition and Learning College ceasing to operate as an academy, provisions are included in the funding agreement relating to the clawback of assets and monies paid to the academy.

23. RELATED PARTY TRANSACTIONS

No related party transactions were noted during the period.

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24. 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/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £ 1 for the debts and liabilities contracted before he/she ceases to be a member.