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 **UK200Group**  
independent quality assured professionals

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# Academy status?

We can help you  
make the grade

 **UK200Group**  
academy forum  
independent quality assured professionals

## Who we are...

Larkings, Chartered Accountants is a member of UK200Group, the premium quality assured membership association of independent chartered accountants and lawyers in the UK with over 105 firms. We offer the skills and expertise comparable with the top accountancy firms, but delivered locally.

Being a member of the UK200Group Academy Forum provides us with the knowledge and resources to help facilitate the transition of schools to academy status. It also provides a wealth of information and experience from the mutual exchange of information and knowledge on the transfers already completed.

We will be able to continue to provide on going support and advice for the future financial governance of the academy.



## Five essential issues...

Most maintained schools (and certain independent and new schools) are considering Academy status to achieve public funding and freedom from local authority control. Barlow Robbins LLP, a law firm member of the UK200Group Academy Forum, advises that the five essential issues to understand about Academies are:

**1** Under the Academies Act 2010, any person can enter into an arrangement with the Secretary of State to establish and run an Academy.

**2** The only significant pre-requisites are:

- (a) An order from the Secretary of State
- (b) A funding agreement with the Secretary of State
- (c) Access to the assets necessary to run the school, which in the case of conversions can be obtained by negotiation with the local authority and/or the current owner and will be set out in a transfer agreement
- (d) A consultation with stakeholders, although there is no obligation to follow any findings or representations.

**3** Academies, sometimes known as 'academy trusts', are established as charitable companies limited by guarantee. They have directors but the Academy will operate through governors and a leadership team in broadly the same manner as current schools.

**4** Whilst the articles of association are the primary constitutional rules governing the Academy's internal management and decision making, the funding agreement has significant checks on its powers and must be negotiated carefully.

**5** How the Academy will own the land will depend on the type of the predecessor school but in most cases the Academy will either have the freehold of the land or the benefit of 125 year lease with a peppercorn rent.

## The support we provide...

Conversion takes the schools in to new territory and they need to feel confident that their advisor can and will provide a great deal of hand holding and guidance. We provide that support in the following areas:

- The terms of the funding and transfer agreements
- How to negotiate and deal with the transfer of the employees from the old school to the new Academy and comply with TUPE
- How to secure the land, assets and contracts of the old school
- The continuing provision of services from the local authority and other providers (eg SEN, waste disposal, catering etc)
- Establishing the opening position with regards to transfers from the Local Education Authority

- Financial and reporting requirements
- Assistance on taking the financial and accounting processes, management and reporting in-house including IT Systems selection and software
- Director and Trustee Responsibilities (under the Company and Charities Acts)
- Risk management and governance
- General advice on which bank to use
- Guidance on key board policies required under charity law
- Responsible officer training
- Review of internal controls
- VAT advice
- Assisting with the accounting treatment of pensions valuation.

