

Company Registration Number: 08084557 (England & Wales)

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018



**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**HORIZON MULTI ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Members	F Court M Orchard I Roberts (resigned 27 September 2018)
Trustees	D Bradford, Chief Executive F Court J Dobson E Roberts, Vice Chair P Gale (resigned 31 August 2018) S Jones, Chair of Trustees S Shelley (resigned 1 June 2018) A J Evans (resigned 31 August 2018) C Redding A Burt (appointed 1 September 2018) B Kirk (appointed 1 September 2018) J Loney (appointed 5 September 2018) I Potter (appointed 1 December 2018)
Company registered number	08084557
Company name	Horizon Multi Academy Trust
Principal and registered office	Haye Road South Elburton Plymouth Devon PL9 8HJ
Company secretary	L Faith
Accounting Officer	D Bradford
Senior leadership team	D Bradford, CEO A Pearce, Business Operations Manager M Ford, Business & Finance Manager
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN

**HORIZON MULTI ACADEMY TRUST
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2017 to 31 August 2018. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The six academies have a total pupil capacity to accommodate 1534 pupils (Elburton 409, Ford 210, Hooe 210, Plaistow Hill Infants and Nursery 180, Pomphlett 320 and Widewell 205). Currently there are 1479 pupils on the rolls of the academies (Elburton 423, Ford 189, Hooe 216, Plaistow Hill Infants and Nursery 149, Pomphlett 279 and Widewell 223) Plaistow Hill Infant and Juniors has a nursery provision for 27 FTE and Ford has provision for 36 FTE. The nursery provision for both schools is full.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

Elburton Primary School Academy Trust was incorporated on 1 July 2012 and opened as an Academy on 1 July 2012. The Academy 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 Horizon Multi Academy Trust came into existence in September 2016 with a change of name from Elburton Primary School Academy Trust. The Trust consists of six academies, Ford Primary Academy, Pomphlett Primary Academy, Plaistow Hill Infant and Nursery School, Hooe Primary Academy, Widewell Primary Academy and Elburton Primary School Academy.

The Members of Horizon Multi Academy Trust are also the directors of the Charitable Company for the purposes of company law. The Charitable Company is known as Horizon Multi Academy trust.

Details of the Trustees who served throughout the year are included in the Reference and Administration details on page 1.

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 £10, for the debts and liabilities contracted before they cease to be a member.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

Total cost of facility time	£ -
Total pay bill	£ 4,585,386
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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Trustees' Indemnities

A full insurance indemnity is taken out with the Academy Trust's insurance company; each member has cover of £5,000,000. This is reviewed annually to protect against potential risk.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

The Board of Trustees is made up of eight appointed Trustees and the CEO of the Trust. They are appointed by the members of the Trust.

Policies and Procedures Adopted for the Induction and Training of Trustees

Board of Trustees and CEO are aware that it is essential that all new Trustees receive a comprehensive induction package covering a broad range of issues. We are committed to ensure that new Trustees are given the necessary information and support to fulfill their role with confidence and we are continually looking at new and better ways to improve this induction process. We believe that well-informed Trustees lead to more effective governance. All new Trustees are welcomed to the Board of Trustees.

New Trustees will:

- Be welcomed to the Trust body by the chair and vice chair, who will explain how the Trust body and its committees are conducted, an overview of the governor's role and governor training;
- Be invited by the CEOs to visit Trust schools, where they will be given a tour to experience its atmosphere, meet staff and children and understand its ethos;
- Have the opportunity to meet informally with existing Trustees and learn about the role of being a Trustee;
- Be given background material on the Trust and current issues;
- Be encouraged to ask questions about their role and/or the Trust;
- Be encouraged to access training including induction training for Trustees;
- The existing members of the Trust body are encouraged to mentor new governors.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

New Trustees will receive and be encouraged to read:

- Ofsted Reports;
- Development plans and business plans for the Trust;
- Most recent financial reports and annual budget plan;
- Set of Minutes from last Trust Body meeting;
- List of Trustees names and responsible areas;
- Access to Horizon website;
- Dates of forthcoming Trust body meetings and committee.

Organisational Structure

There are three members of the Horizon Multi Academy Trust. The members determine the ethos and purpose of the Trust (i.e. the provision of education) and the way it will be governed (which will be set out in the Articles of Association) and will have a right (not an obligation) to participate in governance by appointing and removing Trustees. They also have a right to receive the Trustees' annual report and accounts and to attend general meetings of the Trust.

There are 9 Trustees on the Horizon Multi Academy Trust board. The Board is constituted under the Memorandum of Association and Articles of Association. The Board is responsible for ensuring that high standards of corporate governance are maintained. It should exercise its powers and functions with a view to fulfilling a largely strategic leadership role in three broad areas of work:

Strategy

- Establishing and steering the Trust's clarity of purpose;
- Overseeing effective governance and decision-making;
- Scrutinising plans for growth or consolidation.

Financial Stewardship

- Ensuring the Trust is financially competent and has a sustainable budget.

Performance

- Ensuring pupils are making progress – gaining the best education and experience possible;
- Putting in place effective leadership and holding the executive leadership to account;
- Managing risk: ensuring that the Trust is meeting its statutory and legal responsibilities.

It is responsible for ensuring that the school is run in accordance with the Articles of Association and the Funding Agreement with the ESFA.

To facilitate the working of the Trust Board some of its functions are delegated to the Local Governing Boards of each Academy.

- Constituted similarly to parent boards of about 8-10 representatives of parents, staff and local appointees.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Function

The role of the Local Governing Board is to provide local governance as well as offering assistance to the Trustees in the fulfilment of their duties.

The role is to provide focused governance for an academy at a local level. It will also monitor the Academy Trust's key performance indicators and act as a critical friend to the headteacher providing challenge where appropriate.

It will also play a part in representing the views of the academy's stakeholders.

The Board of Trustees will define what specific functions it requires the LGB to carry out and this will be set out clearly in written terms of reference.

The chairs of the Local Governing Boards are expected to meet regularly.

The Chief Executive is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy Trust in charge of directing and controlling, running and operating the Academy Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

The pay of key management personnel is reviewed annually by the Trustees responsible for Pay and Appraisal and normally reviewed/increased in accordance with Headteacher's recommendations in line with the Trust's pay policy.

The Horizon Multi Academy Trust has revised the Trust's Pay Policy which details the processes for setting pay and remuneration of key management personnel. This Policy is published on the Horizon website. The setting of pay for key management personnel is within an agreed scale band - ISRs for those on Leadership Scale and Local Government Scheme. Salary scales are reviewed annually and linked to performance management targets.

Connected Organisations, including Related Party Relationships

There are no related parties, which either control or significantly influence the decisions and operation of Horizon Multi Academy Trust. There are Parent Teacher Association associated with individual Academies, which operates as independent charities with any funds raised used for the benefit of the individual academies.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Academy Trust is committed to providing outstanding educational experiences for each pupil. We are determined to raise aspirations, opportunities and the standards of learning for all pupils.

- We believe that even better progress and attainment can be achieved through strong collaboration. In the Horizon Academy Trust school leaders and governors will come together to share strategic thinking and expertise. By combining talents and skills we will support each other during challenging times;
- Expertise will be shared across the schools ensuring that all schools have access to outstanding practice. The Horizon Academy Trust will look to fund specialist teachers to work across all schools to provide richer curricular experiences for our pupils;
- There will be opportunities for shared professional development, whether led internally or inviting in outside bodies. We would use professional development time to moderate between the year groups of the differing schools and shared subject expertise;

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

- We believe that the Horizon Academy Trust will enable the schools to tackle recruitment challenges and retain and develop staff from Initial Teacher Training to senior leadership. The Academy Trust will encourage retention of staff through providing new opportunities, and plan effectively for succession;
- As an Academy Trust we will benefit financially as school budgets shrink. We will look to economies of scale, collective purchase and other financial efficiencies to achieve this;

All of this will be achieved while retaining and celebrating the unique ethos and nature of each Trust school.

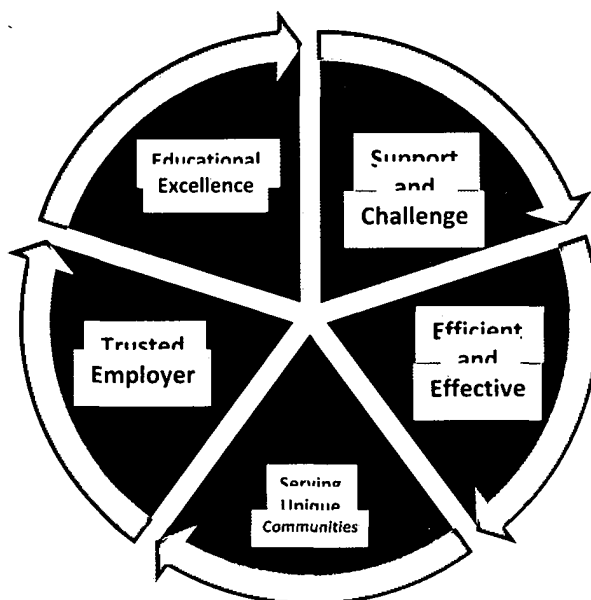
We aim:

- For all schools to be rated Good and aspiring to Outstanding;
- To reflect the diversity of Plymouth, learning from and celebrating the differences of each school;
- To become an established Academy Trust of 10 to 12 schools within 18 months;
- For all schools to have attainment measures above national averages and positive progress indicators;
- To have regular events across the Academy Trust where pupils come together to participate in a range of activities including sport, music and drama;
- To employ dedicated leaders for literacy, numeracy and special needs;
- To recruit, retain and develop the best staff. Becoming the employer of choice by offering opportunities to develop professionally in a model that ensures effective succession planning;
- To sponsor a school and/or open a Free School;
- To become a Teaching school in our own right.

Horizon Multi Academy Trusts aims to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Trust is a community in which children, staff and parents should be part of a happy and caring environment.

Objectives, Strategies and Activities

The Strategic Aims of the Trust



1. Educational Excellence

- Our pupils value learning with high quality teaching provided for all
- All schools to be judged at least good OfSTED judgements
- Achievement indicators for Horizon Trust in attainment and progress show a trajectory of improvement for all groups over time

2. Support and Challenge

- Ensure effective and robust governance structures at all levels supporting and challenging school performance

3. Trusted Employer

- Our staff are nurtured for their future development
The well-being of all staff is ensured

4. Efficient and Effective

- "To have the right people in the right place at the right time"
- Resources are used effectively and shared to achieve best value in creating a positive and sustainable learning environment.

5. Serving unique communities

- Engage with local communities, businesses and other education providers to remove barriers to learning and raise aspirations for our pupils.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Our future role in improving standards...

- through clear and established defined lines of accountability
- implementing a rigorous and robust analysis of achievement for all years and groups
 - termly
 - yearly
- challenge from the Learning Board, CEO and Trust Board were standards not being achieved
- focused or brokered support where needs are identified
- ensure that we attract and retain the most effective staff force through focused professional development and incentive opportunities

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissioner's general guidance on public benefit in exercising their powers of duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future.

Horizon Multi Academy trust is an 'inclusive' Trust and its principal objective is to provide a good education for students of different abilities between the ages of 4 and 11.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

STRATEGIC REPORT

Achievements and Performance

Horizon Trust - Comparative Data 2017-18

	Averages	Elburton	Ford	Hooe	Plaistow Hill	Pomphlett	Widewell
EYFS GDS	73.6	74.6	69	80	70.3	72	75.9
Y1 Phonics	85	95	66.7	96.4	90	95	66.7
Y2 Reading							
Expected +	73.4	85	66.7	87.1	62.5	71	67.9
GDS	20.1	33.3	13.3	3.1	17.5	21	32.1
Y2 Writing							
Expected +	66.9	83.3	53.3	71.9	65	71	57.1
GDS	10.4	15	0	3.1	12.5	21	10.7
Y2 Maths							
Expected +	74.6	80	73.3	75	67.5	84	67.9
GDS	15.4	25	0	3.1	22.5	24	17.9
Y6 Reading							
Expected +	82.8	89	66	94		97	68
Higher Standard	34	42	24	41		31	32
Y6 Writing							
Expected +	83.8	90	69	94		91	75
Higher Standard	17	21	7	28		22	7
Y6 GPS							
Expected +	85.6	95	83	94		88	68
Higher Standard	42.8	68	34	44		47	21
Y6 Maths							
Expected +	84.6	92	72	97		94	68
Higher Standard	29.4	39	14	31		38	25
Y6 Combined							
Expected +	76	82	59	94		91	54
Higher Standard	9.6	15	4	13		16	0
Y2-6 Reading Progress	1.7	2.3	-0.9	2		2.1	2.8
Y2-6 Writing Progress	0.7	0.5	-1.4	0.8		1.3	2.1
Y2-6 Maths Progress	2.2	3	-0.8	1.8		3.8	3.3

The following illustrate some of the achievements of the six academies in the academic year 2017-18.

Elburton - achieved International Schools Award and Platinum School Games Award. They were also re awarded the Gold award. Boys and Girls teams won an interschool swimming completion. The school was successful in a bid to replace all temporary classrooms. The school crowd funded a new playground. The choir sung at residential homes and in Drake's Circus. Year 5s went on a residential trip to Barton Hall and year 4s and 6s had activity days at Mountbatten.

Widewell - The school achieved the Gold Healthy Child award and Gold Sports mark Award. They also won Field Gun events and trophies for the field events at the athletics completion at Brickfields. The school has benefited from new central heating and radiators throughout as a result of a successful CIF bid. Infant toilets have been refurbished and a new group work room for Key Stage 1 has been built.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Hooe - Had several winners at Brickfield's area athletics. The cross country team were 3rd in Plymstock while their year 3s and 4s won the Plymouth championships and went onto represent Plymouth in the Devon championships. 46 children took part in the Plymouth half marathon challenge. The choir attended the Lord Mayor's carol service. Year 6 pupils had an activity week at Mountbatten.

Plaistow Hill - The school engaged in several sporting festivals for the local academic council. The school has concentrated on engaging parents with their children's education holding several workshops and wellbeing evenings. They have introduced SPOKES to support this initiative. They continue to hold toddler groups. They held a Healthy Schools' week.

Ford - The school was awarded the Bronze sports award. There has been a successful transition of headship. Children were taken on a residential trip to Heatree. A member of staff completed a middle leaders course and one of the staff has been designated an oracy champion for Plymouth

Pomphlett - Work has begun on building a new teaching block to accommodate a doubling of the size of the school. The school was awarded the Platinum Sports award. The school was in the top 1% of schools in the country for maths attainment and received a letter from Nick Gibb school's minister. The school was the Plymouth year 3/4 cross country champion and had the girls 200m Brickfields champion. The school won an inter schools dance festival hosted by Darcey Bussell.

Key Performance Indicators

The key performance indicator for the Academy Trust is the adherence to the financial budget set at the beginning of the year. Excluding any generated funds, all income for the Academy Trust is Government or Local Authority funded and therefore the income of the Academy is largely a given.

An expenditure budget is set at the beginning of the year, taking into consideration the level of Government funding. The Trustees have reviewed detailed capital and expenditure reports compared to expenditure budgets, which confirms that the processes and procedures in place for controlling expenditure are acceptable. The carry forward General Annual Grant is within acceptable parameters.

Going Concern

After making appropriate enquiries, the Trust Board has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

FINANCIAL REVIEW

Financial Review

In this financial year the Academy Trust has received the majority of its income from the ESFA in the form of recurrent grants. The grants received from the ESFA during the period 1 September 2017 to 31 August 2018 and the associated expenditure are shown in the statement of financial activities.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, CEO, Business Managers, Local Governing Boards, Headteacher, Budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Treasury Management and Insurance.

During the period 1 September 2017 to 31 August 2018 the total expenditure of £5,721,413 and capital expenditure of £268,596 was more than covered by funding from the ESFA together with other income resources and the carry forward from the previous year. The excess of income over expenditure (excluding FRS 17 and depreciation expense) for the financial year 1 September 2017 to 31 August 2018 was £8,727,812.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Reserves Policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Academy Trust holds total free reserves of £591,258 which consists entirely of unrestricted general funds.

The Academy Trust will always ensure to stay within the ESFA guidelines on levels and appropriate use of reserves.

The reserve policy is required to minimise risk to creditors from volatile revenues. The Academy Trust will aspire for the balances of the Trust to maintain a sum at least equal to 1/12th of the Trust's payroll. Each Academy in the Trust should aspire a pro rata amount to these reserves.

Investment Policy

Investments must be made only when approved by the Trust Board. A Treasury Management Policy is in place, which defines:

- The management of the Academy Trust's cash flows, banking and investment transactions;
- The management of the risks associated with these activities;
- The pursuit of optimal returns consistent with those risks.

The objectives of the policy are to ensure that the Academy Trust:

- Maintains sufficient cash balances in its current account to meet its day to day commitments;
- Invests surplus cash to earn an acceptable rate of return without undue risk;
- Consider spreading risk between differing types of investment and institutions to reduce credit risk.

The Academy's current position is to only invest funds in risk free and easily accessible deposit account as outlined in the agreed Treasury Management Policy.

The Business Manager will maintain a register of all deposits/investments held which will record the Institution with which the deposit is placed, date deposit placed, amount deposited, date of maturity, amount returned, interest earned and rate of interest.

The Business Manager will present the Register of Deposits to the Governors on an annual basis. Periodically (at least annually) the Business Manager will review interest rates and compare with other investment opportunities. A working balance of 1/12th annual payroll should be maintained in the main Academy's current accounts.

Principal Risks And Uncertainties

The Board of Trustees has reviewed the major 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 principal risks and uncertainties facing the Academy Trust are as follows:

Financial – The Academy Trust has considerable reliance on continued Government funding through the ESFA. Whilst the level of funding is expected to continue there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

Failures in Governance – The risk in this area arises from potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational – The continuing success if the Academy Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk the Trustees ensure that student success and achievement is closely monitored and reviewed.

Safeguarding and Child Protection – The Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline.

Staffing – The success of the Academy Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds – The Academy Trust has appointed a Responsible Officer/internal audit to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks of the Academy Trust. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end the Academy Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimized.

PLANS FOR FUTURE PERIODS

Our focus on growing Horizon Multi Academy Trust

By September 2019 we will:

- Be an Established Multi Academy Trust of 10-12 academies;
- Have sponsored a school;
- Establish a register of identified key staff with the capacity and skills to intervene and support staff of other schools;
- Have engaged with the Local Authority in shaping new relationship needed with Academy Trusts across the city;
- Have standards in all schools above National Averages;
- Have all schools with Good or Outstanding rating.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

By September 2020 we will:

- Have applied to be a Teaching School;
- Explore merging with other Academy Trusts to form a "National" Multi Academy Trust;
- Employ dedicated staff to raise standards in Literacy, Numeracy and Intervention;
- Have investigated the possibility of opening a Free School in one of the new developments in Plymouth;
- Have standards in all schools above National Averages;
- Have all schools with Good or Outstanding rating.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy Trust does not hold such funds.

AUDITORS

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' Report, incorporating a strategic report, was approved by order of the Board of Trustees, as company directors, on 17/12/18.... and signed on the board's behalf by:


S Jones
Chair of Trustees

17/12/18

**HORIZON MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Horizon Multi Academy 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 has delegated the day-to-day responsibility to Mr D Bradford, CEO, 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 Horizon Multi Academy Trust and the Secretary of State for Education. He is also responsible for reporting to the Governing Body any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Trust Board has formally met 6 times during the period.

Attendance during the period at meetings of the Trust Board was as follows:

Trustee	Meetings attended	Out of a possible
D Bradford, Chief Executive	6	6
F Court	6	6
J Dobson	5	6
S Jones, Chair of Trustees	5	6
M Orchard	1	1
C Redding	6	6
E Roberts, Vice Chair	6	6
I Roberts	1	1
S Shelley	2	4
P Gale	5	6
A J Evans	3	6
I Potter	0	0

REVIEW OF VALUE FOR MONEY

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

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

- Establishing robust financial governance and budget management;
- Trustees challenge decision makers on cost and effectiveness of spending proposals in order to achieve value for money;
- A Risk Register is in place identifying areas of high, medium and low risks which is reviewed on a regular basis;
- Termly internal audits carried out by Trustee heading up finance and findings shape our action plans for future developments and improvements;
- Value for money purchasing;
- Staff deployed to provide best value in terms of quality of teaching, quality of learning; adult-pupil ratio and curriculum management;
- Academy staffing structure reviewed annually to ensure most appropriate provision for pupils;
- Trustees have identified projects within the School Improvement Plan and Strategic Plan on which to

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GOVERNANCE STATEMENT (continued)

- focus Capital funding;
- Equipment deployed to provide pupils and staff with resources which promote quality teaching and learning;
- Trustees and school leaders review the quality of children's learning to provide the best learning environment;
- Pupil Premium funding has been targeted so that pupils have the opportunity to raise their individual levels of attainment resulting in improved educational outcomes. A full report is presented to Trustees outlining how Pupil Premium has been used;
- Procedures are in place for assessing need, and obtaining goods and services that provide "best value" in terms of suitability, efficiency, time and cost. Measures already in place include competitive tendering procedures, procedures for accepting "best value" quotes which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship), procedures which minimise administration time by the purchase of goods or services under £1,000 direct from known, reliable suppliers (e.g. stationery, small equipment) and current EU procurement legislation.

The following areas were monitored for "best value" by:

1. In-house monitoring by the SLT and subject leaders, e.g. classroom practice, work sampling
2. Termly target setting meetings between SLT and POD leaders
3. Staff appraisals
4. Annual Budget planning
5. Headteacher's monthly financial review with Business Manager
6. Analysis of school pupil performance data, e.g. SAT's results, standardised test results, LA schools, similar schools
7. Analysis of DfE financial data, FMS6 reports, against benchmark data for other schools
8. Analysis of DfE/Ofsted pupil performance data, e.g. RAISEonline
9. Ofsted Inspection Reports
10. Trustees observations
11. Trustees termly meetings
12. Trustees Annual Finance Review
13. Trustees Annual Target Setting Meeting

The Trustees discussed and reviewed 'Best Value' in the Spring term when considering Service Contracts, obtaining tenders for any large scale refurbishment projects and large scale resources purchases.

Service Contracts are under annual review and Trustees are discussing future contracts which will offer best value and fitness for purpose.

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 Trust policies, aims, 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 Horizon Multi Academy Trust for the period from 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks that has been in place for the period from 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Paul Gale, Finance Trustee, to carry out the internal auditor's role.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. In particular the checks carried out in the current period included:

1. Payroll – areas reviewed included testing that actual salary payments for all staff were reconciled against commitments generated on the schools SAGE system; necessary amendments to contracts were appropriately authorised in a timely manner; monthly payroll reconciliation undertaken and appropriately authorised; prior period salary commitments are cleared promptly.
2. Review of a number of receipts from ESFA or LA to check that amounts received agree to source documentation and SAGE.
3. Check that miscellaneous income due reconciles to that collected, is banked promptly and recorded accurately on SAGE.

On a quarterly basis, the auditor reports to the Board of Trustees through the Finance and Personnel Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Future reports will be reported to the Board of Trustees direct.

The internal auditor has delivered their schedule of work as planned through written reports. There were no material control issues raised as a result of the internal auditor's work.

REVIEW OF EFFECTIVENESS

As Accounting Officer, Mr D Bradford has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the Business Manager who has the 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 and Personnel Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

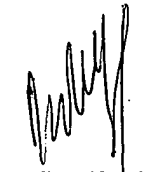
**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

Approved by order of the members of the Board of Trustees on

and signed on their behalf, by:


S Jones
Chair of Trustees
17/12/18


D Bradford
Accounting Officer
17/12/18

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Horizon Multi Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, 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 2017.

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 2017.

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 ESFA.



**D Bradford
Accounting Officer**

17/12/18

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic report, the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education & Skills 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 2017 to 2018;
- Make judgments and accounting estimates that are reasonable and prudent;
- State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 ESFA/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 and signed on its behalf by:



**S Jones
Chair of Trustees**

Date: 17/12/18

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HORIZON MULTI ACADEMY TRUST**

OPINION

We have audited the financial statements of Horizon Multi Academy Trust (the 'Academy Trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018 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 2017 to 2018 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HORIZON MULTI ACADEMY TRUST**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' Report (incorporating the Strategic Report and the Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

We have nothing to report in respect of the following matters in relation to which 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.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HORIZON MULTI ACADEMY TRUST**

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' report.

USE OF OUR REPORT

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



Pamela Tuckett FCA DChA (Senior Statutory Auditor)
for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: 18/12/18

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO HORIZON
MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 14 June 2016 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Horizon Multi Academy Trust during the year 1 September 2017 to 31 August 2018 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 Horizon Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Horizon Multi Academy Trust and the ESFA 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 Horizon Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF HORIZON MULTI ACADEMY TRUST'S AND THE REPORTING
ACCOUNTANT**

The is responsible, under the requirements of Horizon Multi Academy Trust's funding agreement with the Secretary of State for Education dated 1 July 2012, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 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 2017 to 2018 issued by the ESFA. 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.

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO HORIZON
MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

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 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Pamela Tuckett FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 18/12/18

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations & capital grants:						
Transfers from Local Authority on conversion	2	332,154	(1,853,000)	8,668,576	7,147,730	8,592,768
Other donations and capital grants	2	70,681	36,222	195,171	302,074	899,428
Charitable activities	3	406,966	4,917,340	-	5,324,306	3,718,730
Other trading activities	4	188,478	-	-	188,478	148,692
Investments	5	4,820	-	-	4,820	3,553
Other income		2,413	-	-	2,413	2,314
TOTAL INCOME		1,005,512	3,100,562	8,863,747	12,969,821	13,365,485
EXPENDITURE ON:						
Raising funds		24,729	-	-	24,729	12,535
Charitable activities		372,714	5,753,970	268,596	6,395,280	4,381,872
TOTAL EXPENDITURE	6	397,443	5,753,970	268,596	6,420,009	4,394,407
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	18	608,069 (452,239)	(2,653,408) 413,608	8,595,151 38,631	6,549,812 -	8,971,078 -
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		155,830	(2,239,800)	8,633,782	6,549,812	8,971,078
Actuarial gain/(losses) on defined benefit pension schemes	23	-	903,000	-	903,000	(3,000)
NET MOVEMENT IN FUNDS		155,830	(1,336,800)	8,633,782	7,452,812	8,968,078
RECONCILIATION OF FUNDS:						
Total funds brought forward		435,428	(1,971,388)	12,558,483	11,022,523	2,054,445
TOTAL FUNDS CARRIED FORWARD		591,258	(3,308,188)	21,192,265	18,475,335	11,022,523

The notes on pages 28 to 55 form part of these financial statements.

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 08084557

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	14		20,860,904		11,783,004
CURRENT ASSETS					
Stocks	15	4,079		4,079	
Debtors	16	342,487		792,172	
Cash at bank and in hand		1,153,267		752,863	
		<u>1,499,833</u>		<u>1,549,114</u>	
CREDITORS: amounts falling due within one year	17	(493,402)		(297,595)	
NET CURRENT ASSETS			<u>1,006,431</u>		<u>1,251,519</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>21,867,335</u>		<u>13,034,523</u>
Defined benefit pension scheme liability	23		(3,392,000)		(2,012,000)
NET ASSETS			<u><u>18,475,335</u></u>		<u><u>11,022,523</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	18	83,812		40,612	
Fixed asset funds	18	21,192,265		12,558,483	
Restricted funds excluding pension liability		<u>21,276,077</u>		<u>12,599,095</u>	
Pension reserve		<u>(3,392,000)</u>		<u>(2,012,000)</u>	
Total restricted funds			<u>17,884,077</u>		<u>10,587,095</u>
Unrestricted funds	18		<u>591,258</u>		<u>435,428</u>
TOTAL FUNDS			<u><u>18,475,335</u></u>		<u><u>11,022,523</u></u>

The financial statements on pages 25 to 55 were approved by the Trustees, and authorised for issue, on and are signed on their behalf, by:


S Jones
Chair of Trustees

The notes on pages 28 to 55 form part of these financial statements.

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	28	565,199	(139,407)
Cash flows from investing activities:			
Interest received		4,820	3,553
Purchase of tangible fixed assets		(732,582)	(171,641)
Capital grants from DfE Group		176,171	173,562
Net cash (used in)/provided by investing activities		(551,591)	5,474
Cash transferred on conversion			
Prior year joiners from existing Trusts		-	549,639
Pomphlett Primary School		174,174	-
Plaistow Hill Infant and Nursery School		91,840	-
Ford Primary School		120,782	-
Net cash provided by financing activities		386,796	549,639
Change in cash and cash equivalents in the year		400,404	415,706
Cash and cash equivalents brought forward		752,863	337,157
Cash and cash equivalents carried forward	29	1,153,267	752,863

The notes on pages 28 to 55 form part of these financial statements.

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

A summary of the principal accounting policies adopted (which have been applied consistently, except where noted), judgments 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 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Horizon Multi Academy Trust constitutes a public benefit entity as defined by FRS 102.

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 Academy Trust 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.

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities 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 in full when there is an unconditional entitlement to the grant. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended.

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

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

Certain types of income are shown in the Statement of Financial Activities net of expenditure as follows:

Where assets are received on the transfer of an existing Academy into the Trust, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the trust, which is on signing of the transfer agreement with the transferring trust. An equal amount of income is recognised for the transfer of an existing Academy into the Trust within donations and capital grants.

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

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.

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

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

All expenditure is inclusive of irrecoverable VAT.

1.5 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised 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. 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 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. 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 these assets, less their estimated residual value, over their expected useful lives on the following bases:

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:

Freehold property	-	2% straight line
Long term leasehold property	-	2% straight line/land - term of the lease
Furniture and fixtures	-	20% straight line
Computer equipment	-	33% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

**HORIZON MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.6 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.7 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 and cash on deposit that has a notice period of less than 30 days.

1.8 LIABILITIES AND PROVISIONS

Liabilities and provisions 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 Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation.

1.9 FINANCIAL INSTRUMENTS

The Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Academy Trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 16. Prepayments are not financial instruments.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.10 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.

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FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.11 PENSIONS

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

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 quadrennial valuations using a prospective unit credit method. As stated in note 23, 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.

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 net income/expenditure are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

Actuarial gains and losses are recognised immediately in other recognised gains and losses.

1.12 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 funders where the asset acquired or created is held for a specific purpose.

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

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**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.13 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments 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.

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 23, 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance leases requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

1.14 OPERATING LEASES

Rentals under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1.15 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.16 CONVERSION TO AN ACADEMY TRUST

The conversion from state maintained schools to Academy Trusts involved the transfer of identifiable assets and liabilities and the operation of the schools for £Nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from Pomphlett Primary School, Plaistow Hill Infant and Nursery School and Ford Primary School to Academy Trusts have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 30.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Transfers from Local Authority on conversion	332,154	(1,853,000)	8,668,576	7,147,730	8,592,768
Donations	70,681	36,222	19,000	125,903	94,316
Capital Grants	-	-	176,171	176,171	805,112
	70,681	36,222	195,171	302,074	899,428
	402,835	(1,816,778)	8,863,747	7,449,804	9,492,196
Total 2017	229,407	(726,852)	9,989,641	9,492,196	

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Education	126,057	4,917,340	5,043,397	3,545,420
Nursery	280,909	-	280,909	173,310
	406,966	4,917,340	5,324,306	3,718,730
Total 2017	282,202	3,436,528	3,718,730	

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FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant	-	4,162,383	4,162,383	2,918,919
Start up Grants	-	3,500	3,500	50,000
Other DfE/EFA grants	-	710,108	710,108	405,566
	-	4,875,991	4,875,991	3,374,485
Other government grants				
High Needs	-	39,066	39,066	45,263
Other government grants non capital	-	2,283	2,283	16,780
	-	41,349	41,349	62,043
Other funding				
Internal catering income	66,541	-	66,541	61,794
Sales to students	8,672	-	8,672	8,943
Other	50,844	-	50,844	38,155
	126,057	-	126,057	108,892
	126,057	4,917,340	5,043,397	3,545,420
Total 2017	108,892	3,436,528	3,545,420	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	18,669	-	18,669	12,546
External catering	326	-	326	100
Fees received	169,483	-	169,483	135,746
Other	-	-	-	300
	188,478	-	188,478	148,692
Total 2017	148,692	-	148,692	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	4,820	-	4,820	3,553
	<u>4,820</u>	<u>-</u>	<u>4,820</u>	<u>3,553</u>
Total 2017	<u>3,553</u>	<u>-</u>	<u>3,553</u>	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on fundraising trading					
Direct costs	-	-	24,729	24,729	12,535
Support costs	-	-	-	-	-
Education:					
Direct costs	3,566,634	-	756,061	4,322,695	2,966,568
Support costs	1,205,860	308,972	380,230	1,895,062	1,303,166
Nursery:					
Direct costs	168,892	-	-	168,892	106,832
Support costs	-	8,631	-	8,631	5,306
	<u>4,941,386</u>	<u>317,603</u>	<u>1,161,020</u>	<u>6,420,009</u>	<u>4,394,407</u>
Total 2017	<u>3,442,936</u>	<u>176,857</u>	<u>774,614</u>	<u>4,394,407</u>	

HORIZON MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

7. DIRECT COSTS

	Education	Nursery	Total	Total
	£	£	2018	2017
			£	£
Pension finance costs	45,890	-	45,890	36,000
Educational supplies	177,277	-	177,277	88,200
Examination fees	9	-	9	178
Staff development	12,330	-	12,330	15,175
Other costs	81,573	-	81,573	63,657
Supply teachers	46,417	-	46,417	23,461
Wages and salaries	2,821,796	149,169	2,970,965	2,063,586
National insurance	248,436	3,929	252,365	171,573
Pension cost	670,755	15,794	686,549	485,333
Depreciation	218,212	-	218,212	126,237
	4,322,695	168,892	4,491,587	3,073,400
Total 2017	2,966,568	106,832	3,073,400	

8. SUPPORT COSTS

	Education	Nursery	Total	Total
	£	£	2018	2017
			£	£
Pension finance costs	28,110	-	28,110	-
Other costs	21,124	-	21,124	31,567
Supply teachers	-	-	-	220
Recruitment and support	7,395	-	7,395	4,279
Maintenance of premises and equipment	119,711	2,619	122,330	87,943
Cleaning	60,611	1,693	62,304	16,391
Rent and rates	38,580	1,078	39,658	25,527
Energy costs	61,591	1,720	63,311	35,543
Insurance	51,677	1,444	53,121	42,579
Security and transport	2,749	77	2,826	4,930
Catering	199,794	-	199,794	135,885
Technology costs	91,338	-	91,338	74,351
Office overheads	57,698	-	57,698	47,276
Legal and professional	86,360	-	86,360	52,441
Bank interest and charges	129	-	129	1,074
Governance	32,721	-	32,721	18,656
Wages and salaries	687,166	-	687,166	518,857
National insurance	31,889	-	31,889	23,721
Pension cost	266,035	-	266,035	156,405
Depreciation	50,384	-	50,384	30,827
	1,895,062	8,631	1,903,693	1,308,472
Total 2017	1,303,166	5,306	1,308,472	

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. NET INCOME/ (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the Academy Trust	268,596	157,064
Auditors' remuneration - audit	8,050	4,800
Auditors' remuneration - other services	6,625	3,950
Operating lease rentals	8,770	3,016
	<u> </u>	<u> </u>

HORIZON MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	3,651,828	2,560,767
Social security costs	284,254	195,294
Pension schemes	952,584	641,738
	<u>4,888,666</u>	<u>3,397,799</u>
Agency staff costs	46,417	23,461
Staff restructuring costs	6,303	21,676
	<u>4,941,386</u>	<u>3,442,936</u>

Staff restructuring costs comprise:

	2018 £	2017 £
Redundancy payments	6,303	13,276
Severance payments	-	8,400
	<u>6,303</u>	<u>21,676</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-contractual severance payments totalling £Nil (2017: £8,400). The prior year amount related to one payment only.

c. Staff numbers

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

	2018 No.	2017 No.
Teachers	68	41
Administration and Support	128	112
Management	12	3
	<u>208</u>	<u>156</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	53	36
Administration and Support	69	52
Management	10	2
	<u>132</u>	<u>90</u>

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NOTES TO THE FINANCIAL STATEMENTS
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10. STAFF COSTS (continued)

d. Higher paid staff

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	2018	2017
	No.	No.
In the band £60,001 - £70,000	4	1
In the band £70,001 - £80,000	1	1

e. Key management personnel

The key management personnel of the Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employers National Insurance) received by key management personnel for their services to the Academy was £179,998 (2017: £168,862).

As Staff Trustees are not remunerated in respect of their role as a Trustee, where Staff Trustees do not form part of the key management personnel other than in their role as Trustee, their remuneration as set out in note 13 has not been included in the total benefits received by key management personnel above.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

11. CENTRAL SERVICES

The Academy Trust has provided the following central services to its academies during the year:

- Finance support
 - Provision of various software packages
 - Staff training and support on new finance and budgeting systems
 - Budget setting and monitoring
 - Production of monthly management accounts and budget files
- Operations and procurement
 - Management of contracts and SLAs, ensuring value for money and efficiencies
 - Legal support
 - Researching and bidding for additional funding, including CIF, MOD, Salix Loans
- Human resources
 - Payroll services
 - Pension administration
 - Personnel support, advice and administration

The Academy Trust charges for these services on the following basis:

During the year to 31 August 2018, central recharges were made to each of the Academies as a direct charge for a share of the expenditure. The basis for this calculation was 4% of General Annual Grant (GAG). Pomphlett, Plaistow Hill and Ford were also charged a £5,000 joining fee upon conversion to cover set up costs.

The actual amounts charged during the year were as follows:

	2018 £	2017 £
Elburton Primary School	40,000	6,905
Hooe Primary Academy	25,000	3,800
Widewell Primary Academy	25,000	3,753
Pomphlett Primary School	33,080	-
Plaistow Hill Infant and Nursery School	14,660	-
Ford Primary School	19,800	-
Total	<u>157,540</u>	<u>14,458</u>

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Trust 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 2018 was £932 (2017: £1,405).

HORIZON MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

13. TRUSTEES' REMUNERATION AND EXPENSES

The CEO and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of CEO and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: Mr D Bradford: remuneration £75,000 - £80,000 (2017: £70,000 - £75,000), employer's pension contributions: £10,000 - £15,000 (2017: £10,000 - £15,000).

Other related party transactions involving the Trustees are set out in note 25.

During the year, no Trustees received any benefits in kind (2017: £NIL).

During the year ended 31 August 2018, expenses totalling £594 (2017: £453) were reimbursed to 1 Trustee (2017: 1).

14. TANGIBLE FIXED ASSETS

	Freehold property £	Long term leasehold property £	Furniture and fixtures £	Computer equipment £	Total £
COST					
At 1 September 2017	8,999,192	2,722,813	234,620	262,542	12,219,167
Additions	727,122	-	5,460	-	732,582
Transfers on conversion	2,035,056	6,368,758	210,100	-	8,613,914
At 31 August 2018	11,761,370	9,091,571	450,180	262,542	21,565,663
DEPRECIATION					
At 1 September 2017	197,076	25,898	49,635	163,554	436,163
Charge for the year	89,079	92,436	38,717	48,364	268,596
At 31 August 2018	286,155	118,334	88,352	211,918	704,759
NET BOOK VALUE					
At 31 August 2018	11,475,215	8,973,237	361,828	50,624	20,860,904
At 31 August 2017	8,802,116	2,696,915	184,985	98,988	11,783,004

Included in freehold property is land amounting to £6,202,362 (2017: £5,775,000) which is not depreciated.

Included in leasehold property is land amounting to £2,748,054 (2017: £1,410,615) which is not depreciated.

15. STOCKS

	2018 £	2017 £
Finished goods and goods for resale	4,079	4,079

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NOTES TO THE FINANCIAL STATEMENTS
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16. DEBTORS

	2018	2017
	£	£
Trade debtors	5,080	2,863
VAT recoverable	77,196	29,959
Other debtors	9,822	701
Prepayments and accrued income	250,389	758,649
	<u>342,487</u>	<u>792,172</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018	2017
	£	£
Trade creditors	99,035	76,925
Other taxation and social security	98,822	55,495
Other creditors	81,008	57,121
Accruals and deferred income	214,537	108,054
	<u>493,402</u>	<u>297,595</u>

	2018	2017
	£	£
DEFERRED INCOME		
Deferred income at 1 September 2017	87,850	39,677
Resources deferred during the year	144,593	87,850
Amounts released from previous years	(87,850)	(39,677)
Deferred income at 31 August 2018	<u>144,593</u>	<u>87,850</u>

At the balance sheet date £136,075 of UIFSM, £1,630 of SEN funding, £888 of wraparound care receipts and a £6,000 National Support School bursary received in respect of the year ended 31 August 2019 were included in deferred income.

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
UNRESTRICTED FUNDS						
General funds	435,428	1,005,512	(397,443)	(452,239)	-	591,258
RESTRICTED FUNDS						
General Annual Grant (GAG)	2,408	4,162,383	(4,557,814)	393,023	-	-
High Needs	530	39,066	(39,596)	-	-	-
Donations	-	2,991	(1,616)	-	-	1,375
Pupil premium	-	315,767	(315,767)	-	-	-
Growth funding	21,075	3,500	(24,575)	-	-	-
UIFSM	-	182,593	(201,483)	18,890	-	-
PE & Sports grant	-	77,651	(77,651)	-	-	-
Other DfE/ESFA	-	31,380	(31,380)	-	-	-
MOD grant	16,599	-	(16,599)	-	-	-
MDIF	-	105,000	(23,544)	-	-	81,456
Other restricted funds	-	33,231	(33,945)	1,695	-	981
Pension reserve	(2,012,000)	(1,853,000)	(430,000)	-	903,000	(3,392,000)
	(1,971,388)	3,100,562	(5,753,970)	413,608	903,000	(3,308,188)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	2,456,040	8,613,914	(119,666)	-	-	10,950,288
DfE/ESFA Capital grants and GAG	216,029	40,297	(31,299)	38,631	-	263,658
PTA funded assets	31,963	19,000	(10,071)	-	-	40,892
Fixed assets transferred from existing Trusts	9,016,010	-	(92,931)	-	-	8,923,079
Unspent capital funds transferred from existing Trusts	-	54,662	-	-	-	54,662
CIF	838,441	135,874	(14,629)	-	-	959,686
	12,558,483	8,863,747	(268,596)	38,631	-	21,192,265
Total restricted funds	10,587,095	11,964,309	(6,022,566)	452,239	903,000	17,884,077
Total of funds	11,022,523	12,969,821	(6,420,009)	-	903,000	18,475,335

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

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy, including education and support costs.

Start up Grant - This represents one off funding received from the ESFA to contribute to the cost of converting from a school to an Trust.

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18. STATEMENT OF FUNDS (continued)

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable to Academy to address the current underlying inequalities between those children and their wealthier peers.

Growth Funding - This represents Regional Academy Growth Funding awarded to the Trust from the Department for Education.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

PE Grant - This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

MDIF - This represents MAT Development and Improvement Funding awarded to the Trust from the Department for Education.

Assets transferred from existing Trusts - This represents funding surpluses of existing Academies which have transferred into the Multi Academy Trust.

Pension reserve - This represents the Trust's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

UIFSM - This represents funding received to provide free school meals.

British Council - This represents funds received for a specific project.

MOD - This represents funds received for a specific project.

Capital Grants - These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Devolved Formula Capital - This represents funding from the ESFA to cover the maintenance and purchase of the Trust's assets.

PTA funded assets - This represents amounts received from the PTA towards the costs of assets.

CIF - This represents funding awarded by the ESFA to undertake capital works.

Fixed assets transferred from existing Trusts - This represents the land, buildings and equipment transferred into the Multi Academy Trust from existing Academies.

Transfers made from unrestricted funds to restricted fixed asset funds represent the purchase of fixed assets from revenue funds. Transfers from unrestricted funds to restricted funds have been made to cover overspends of these restricted revenue funds.

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

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18. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Elburton Primary School	74,555	206,138
Hooe Primary Academy	55,359	57,061
Widewell Primary Academy	143,929	189,337
Central	81,506	23,504
Pomphlett Primary School	102,398	-
Plaistow Hill Infant and Nursery School	102,524	-
Ford Primary School	114,799	-
Total before fixed asset fund and pension reserve	675,070	476,040
Restricted fixed asset fund	21,192,265	12,558,483
Pension reserve	(3,392,000)	(2,012,000)
Total	18,475,335	11,022,523

ANALYSIS OF ACADEMIES BY COST

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 depreciat- ion £	Total 2018 £	Total 2017 £
Elburton Primary School	1,265,984	276,965	74,158	249,525	1,866,632	1,946,633
Hooe Primary Academy	599,725	181,929	46,184	133,901	961,739	960,469
Widewell Primary Academy	675,243	149,046	66,826	146,538	1,037,653	1,020,268
Central	-	141,544	810	66,473	208,827	40,975
Pomphlett Primary School	564,384	96,570	43,068	119,046	823,068	-
Plaistow Hill Infant and Nursery School	217,496	28,448	5,214	70,858	322,016	-
Ford Primary School	324,830	65,168	22,599	62,936	475,533	-
	3,647,662	939,670	258,859	849,277	5,695,468	3,968,345

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18. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
GENERAL FUNDS						
General funds	276,959	666,168	(277,228)	(230,471)	-	435,428
RESTRICTED FUNDS						
General Annual Grant (GAG)	-	2,918,919	(3,162,938)	246,427	-	2,408
High Needs	-	45,263	(45,692)	959	-	530
Pupil premium	-	225,748	(225,748)	-	-	-
Growth funding	-	50,000	(28,925)	-	-	21,075
UIFSM	-	138,311	(148,840)	10,529	-	-
PE & Sports grant	-	27,565	(27,565)	-	-	-
British Council grant	-	2,400	(2,400)	-	-	-
Other DfE/ESFA	-	13,942	(13,942)	-	-	-
MOD grant	-	14,380	(8,281)	10,500	-	16,599
Other restricted funds	-	23,773	(26,784)	3,011	-	-
Transferred in from existing Trusts	-	107,375	-	(107,375)	-	-
Pension reserve	(882,000)	(858,000)	(269,000)	-	(3,000)	(2,012,000)
	<u>(882,000)</u>	<u>2,709,676</u>	<u>(3,960,115)</u>	<u>164,051</u>	<u>(3,000)</u>	<u>(1,971,388)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	2,487,578	-	(31,538)	-	-	2,456,040
DfE/ESFA Capital grants and GAG	154,046	21,526	(25,963)	66,420	-	216,029
PTA funded assets	17,862	20,000	(5,899)	-	-	31,963
Fixed assets transferred from existing Trusts	-	9,108,941	(92,931)	-	-	9,016,010
Unspent capital funds transferred from existing Trusts	-	55,588	-	(55,588)	-	-
CIF	-	783,586	(733)	55,588	-	838,441
	<u>2,659,486</u>	<u>9,989,641</u>	<u>(157,064)</u>	<u>66,420</u>	<u>-</u>	<u>12,558,483</u>
Total restricted funds	<u>1,777,486</u>	<u>12,699,317</u>	<u>(4,117,179)</u>	<u>230,471</u>	<u>(3,000)</u>	<u>10,587,095</u>
Total of funds	<u>2,054,445</u>	<u>13,365,485</u>	<u>(4,394,407)</u>	<u>-</u>	<u>(3,000)</u>	<u>11,022,523</u>

HORIZON MULTI ACADEMY TRUST
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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	20,860,904	20,860,904
Current assets	940,955	227,517	331,361	1,499,833
Creditors due within one year	(349,697)	(143,705)	-	(493,402)
Pension scheme liability	-	(3,392,000)	-	(3,392,000)
	<u>591,258</u>	<u>(3,308,188)</u>	<u>21,192,265</u>	<u>18,475,335</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	11,783,004	11,783,004
Current assets	435,428	338,207	775,479	1,549,114
Creditors due within one year	-	(297,595)	-	(297,595)
Provisions for liabilities and charges	-	(2,012,000)	-	(2,012,000)
	<u>435,428</u>	<u>(1,971,388)</u>	<u>12,558,483</u>	<u>11,022,523</u>

20. 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 £10 for the debts and liabilities contracted before he/she ceases to be a member.

21. GENERAL INFORMATION

Horizon Multi Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Elburton Primary School, Haye Road South, Elburton, Plymouth, Devon, PL9 8HJ.

22. CAPITAL COMMITMENTS

At 31 August 2018 the Academy Trust had capital commitments as follows:

	2018 £	2017 £
Contracted for but not provided in these financial statements	<u>97,536</u>	<u>-</u>

**HORIZON MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

23. PENSION COMMITMENTS

The Academy Trust'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 Devon 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 2016.

Contributions amounting to £56,526 were payable to the schemes at 31 August 2018 (2017: £48,121) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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.
- 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%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, 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 £363,092 (2017: £245,477).

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 an unfunded multi-employer pension scheme. The

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23. PENSION COMMITMENTS (continued)

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 2018 was £298,000 (2017: £201,000), of which employer's contributions totalled £227,000 (2017: £153,000) and employees' contributions totalled £71,000 (2017: £48,000). The agreed contribution rates for future years are 15.3% for employers and 5.5-12.5% 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.

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.65 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %

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

	2018	2017
Retiring today		
Males	23.5	23.4
Females	25.6	25.5
Retiring in 20 years		
Males	25.8	25.7
Females	28.0	27.9

	At 31 August 2018 £	At 31 August 2017 £
Sensitivity analysis		
Discount rate +0.1%	6,191,000	3,419,000
Discount rate -0.1%	6,497,000	3,589,000
Mortality assumption - 1 year increase	6,554,000	3,624,000
Mortality assumption - 1 year decrease	6,137,000	3,386,000
CPI rate +0.1%	6,471,000	3,576,000
CPI rate -0.1%	6,216,000	3,432,000

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23. PENSION COMMITMENTS (continued)

The Academy Trust's share of the assets in the scheme was:

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	1,809,000	883,000
Gilts	-	46,000
Corporate bonds	151,000	221,000
Debt instruments	-	-
Property	267,000	130,000
Cash and other liquid assets	45,000	72,000
Other	678,000	139,000
	<u>2,950,000</u>	<u>1,491,000</u>
Total market value of assets	<u>2,950,000</u>	<u>1,491,000</u>

The actual return on scheme assets was £162,000 (2017: £150,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2018 £	2017 £
Current service cost	(571,000)	(386,000)
Past service cost	74,229	46,000
Interest income	54,000	28,000
Interest cost	(128,000)	(64,000)
	<u>(570,771)</u>	<u>(376,000)</u>
Total	<u>(570,771)</u>	<u>(376,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	3,503,000	1,489,000
Upon conversion	2,914,000	-
Transferred in on existing academies joining the trust	-	1,440,000
Current service cost	571,000	386,000
Interest cost	128,000	64,000
Employee contributions	71,000	48,000
Actuarial (gains)/losses	(796,000)	128,000
Benefits paid	(61,000)	(52,000)
Past service costs	12,000	-
	<u>6,342,000</u>	<u>3,503,000</u>
Closing defined benefit obligation	<u>6,342,000</u>	<u>3,503,000</u>

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23. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Opening fair value of scheme assets	1,491,000	607,000
Upon conversion	1,061,000	-
Transferred in on existing academies joining the trust	-	582,000
Interest income	54,000	28,000
Actuarial gains	107,000	125,000
Employer contributions	227,000	153,000
Employee contributions	71,000	48,000
Benefits paid	(61,000)	(52,000)
	<u>2,950,000</u>	<u>1,491,000</u>
Closing fair value of scheme assets	<u>2,950,000</u>	<u>1,491,000</u>

24. OPERATING LEASE COMMITMENTS

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
AMOUNTS PAYABLE:		
Within 1 year	11,198	4,021
Between 1 and 5 years	25,100	14,075
Total	<u>36,298</u>	<u>18,096</u>

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust 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 Trust have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

During the year, the Trust paid £1,157 (2017: £670) to NMA Operations Limited, a company in which D Bradford and M Orchard are directors, in respect of educational visits. At the year end no balance was owed to NMA Operations Limited.

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NOTES TO THE FINANCIAL STATEMENTS
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26. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured at amortised cost	<u>107,165</u>	<u>727,880</u>
Financial liabilities measured at amortised cost	<u>(239,987)</u>	<u>(202,291)</u>

Financial assets measured at amortised cost comprise accrued income, other debtors and trade debtors.

Financial liabilities measured at amortised cost comprise accruals, other creditors and trade creditors.

27. POST BALANCE SHEET EVENTS

On 1 September 2018, Victoria Road Primary School joined the Academy Trust having converted to Academy status on this date.

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

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	6,549,812	8,971,078
Adjustment for:		
Depreciation charges	268,596	157,064
Interest received	(4,820)	(3,553)
Increase in stocks	-	(2,368)
Decrease/(increase) in debtors	449,685	(70,850)
Increase in creditors	195,807	185,914
Capital grants from DfE and other capital income	(176,171)	(825,112)
Defined benefit pension scheme obligation inherited	1,853,000	858,000
Defined benefit pension scheme cost less contributions payable	356,000	233,000
Defined benefit pension scheme finance cost	74,000	36,000
Income from Local Authority on conversion	(9,000,710)	-
Income from fixed assets transferred from existing Trusts	-	(9,128,941)
Other income transferred from existing Trusts	-	(549,639)
Net cash provided by/(used in) operating activities	<u>565,199</u>	<u>(139,407)</u>

29. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	<u>1,153,267</u>	<u>752,863</u>
	<u>1,153,267</u>	<u>752,863</u>

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30. CONVERSION TO AN ACADEMY TRUST

On 1 November 2017 Pomphlett Primary School, followed by Plaistow Hill Infant and Nursery School and Ford Primary School on 1 April 2018, converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Horizon Multi Academy Trust from Plymouth City Council for £Nil consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations - transfer from local authority on conversion

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.

POMPHELETT PRIMARY SCHOOL

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	3,685,200	3,685,200
- Other tangible fixed assets	-	-	75,600	75,600
Budget surplus/(deficit) on LA funds	120,099	-	54,075	174,174
LGPS pension surplus/(deficit)	-	(837,900)	-	(837,900)
Net assets/(liabilities)	120,099	(837,900)	3,814,875	3,097,074

The above net assets include £174,174 that were transferred as cash.

PLAISTOW HILL INFANT AND NURSERY SCHOOL

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	2,035,056	2,035,056
- Other tangible fixed assets	-	-	51,500	51,500
Budget surplus/(deficit) on LA funds	87,720	-	587	88,307
Budget surplus/(deficit) on other school funds	3,533	-	-	3,533
LGPS pension surplus/(deficit)	-	(447,500)	-	(447,500)
Net assets/(liabilities)	91,253	(447,500)	2,087,143	1,730,896

The above net assets include £91,840 that were transferred as cash.

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FORD PRIMARY SCHOOL

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	2,683,558	2,683,558
- Other tangible fixed assets	-	-	83,000	83,000
Budget surplus/(deficit) on LA funds	120,782	-	-	120,782
LGPS pension surplus/(deficit)	-	(567,600)	-	(567,600)
Net assets/(liabilities)	<u>120,782</u>	<u>(567,600)</u>	<u>2,766,558</u>	<u>2,319,740</u>

The above net assets include £120,782 that were transferred as cash.