

Company Registration No. 08120128 (England and Wales)

THE DUNHAM TRUST
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND AUDITED ACCOUNTS
FOR THE YEAR ENDED 31 AUGUST 2017



Haines Watts
Chartered Accountants & Registered Auditors
Bridge House
157A Ashley Road
Hale
Altrincham
Cheshire
WA14 2UT

THE DUNHAM TRUST

CONTENTS

	Page
Reference and administrative details	1 – 2
Trustees' report	3 – 15
Governance statement	16 – 20
Statement on regularity, propriety and compliance	21
Statement of Trustees' responsibilities	22
Independent auditor's report on the accounts	23 – 25
Independent reporting accountant's report on regularity	26 – 27
Statement of financial activities including income and expenditure account	28
Balance sheet	29
Statement of cash flows	30
Notes to the accounts including accounting policies	31 – 51

THE DUNHAM TRUST

REFERENCE AND ADMINISTRATIVE DETAILS

Trustees

J Appleyard (CEO)
I MacKenzie
P Reilly (Chair of Trustees)
D Vanstone
N Payne
P Cherry
R Tarbuck
A Turner MBE
D Mallalieu (Appointed 1 July 2017)

Members

I MacKenzie
N Payne
P Reilly

Senior management team

- CEO - The Dunham Trust
- Executive Principal – The Dunham Trust
- Head of School - Elmridge Primary School
- Assistant Head of School - Elmridge Primary School
- Head of School - Acre Hall Primary School
- Head of School – Lime Tree Primary School
- Director of Operations – The Dunham Trust
- Deputy head teacher - Acre Hall Primary School
- KS phase lead - Acre Hall Primary School
- Deputy Head of School – Lime Tree Primary School
- Assistant Head of School – Lime Tree Primary School
- Assistant Head of School – Lime Tree Primary School
- Assistant Head of School – Lime Tree Primary School
- Head of School – The Orchards
- Teacher with TLR – The Orchards
- Teacher with TLR – The Orchards
- Head of Finance - The Dunham Trust
- Business Manager - The Dunham Trust

J Appleyard
S Beswick (Appointed 1 July 2017)
M Edmundson
Z Pilkington
A White
C Larkin (Appointed 1 July 2017)
J Carmichael
A Yates
A Brierley
A Dean (Appointed 1 July 2017)
E Wardle (Appointed 1 July 2017)
D Lloyd (Appointed 1 July 2017)
R Rennox (Appointed 1 July 2017)
E Haddock (Resigned 31 May)
L Seton
A Brown
L Kaufman
N Toop (Appointed 1 July 2017)

Company secretary

L Kaufman

Company name

The Dunham Trust

Company registration number

08120128 (England and Wales)

Registered office

Wilton Drive
Hale Barns
Altrincham
Cheshire
WA15 0JW

Academies operated

Elmridge Primary School
Acre Hall Primary School
The Orchards Special Free School
Lime Tree Primary School

Location

Wilton Drive, Hale Barns
Irlam Road, Flixton
Irlam Road, Flixton
Budworth Road, Sale

Head of School

M Edmundson
A White
J Nash
C Larkin

THE DUNHAM TRUST

REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)

Independent auditor

Haines Watts
Bridge House
Ashley Road
Hale
Altrincham
WA14 2UT

Solicitors

Eversheds Sutherland
Eversheds House
70 Great Bridgwater Street
Manchester
M1 5ES

Bankers

Lloyds Bank Plc
76-78 Stamford New Road
Altrincham
WA14 1BS

THE DUNHAM TRUST

TRUSTEES' REPORT

FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 1 September 2016 to 31 August 2017. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

The trust now operates four primary academies in Trafford. Its academies have a combined pupil capacity of 1,025 and had a roll of 892 in the summer school census of May 2017.

Structure, governance and management

Constitution

The academy trust is a company limited by guarantee (company number: 08120128) and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Trustees of The Dunham Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Dunham Trust.

Details of the Trustees who served during the year are included in the reference and administrative details on page 1 together with details of the company's registered office address.

Members' liability

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

Trustees' indemnities

In accordance with normal commercial practice the academy has purchased professional indemnity and directors' and officers' insurance to protect the governors and officers from claims arising from negligence, errors or omissions occurring whilst on academy business. Further details are disclosed at note 10.

Method of recruitment and appointment or election of local board governors

The members of the trust are responsible for the appointment of governors. There will be a minimum of three governors per trust school (including the chair of the local governing body (also a director of the trust) and a minimum of two parent governors). The directors can also appoint co-opted governors and any other category decided by board of directors.

Policies and procedures adopted for the induction and training of Trustees and local board governors

Trustees and governors are appointed based on the skills that they will bring to the governing body or board of Trustees based on a proposal to the governing body by representative groups. On appointment, Trustees or governors receive information relating to the trust, attend a briefing and receive an induction pack on the role and responsibilities of governors.

During the year, Trustees or governors are offered all necessary training.

Organisational structure

The governance of the trust is defined in the memorandum and articles of association together with the Funding Agreement with the Department for Education.

The board of Trustees presides over local governing bodies of each member school. The chair of each member school sits on the board of Trustees. The board of Trustees meets at least termly.

All local board governors are members of their respective full governing body. In addition governors are members of committees which report to the full governing body.

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The board of governors meets once each term to receive reports from its sub-committees and manage its strategic objectives. The board has two sub-committees:

- Resources, which meets at least termly to consider the academy's budgets and financial performance as well personnel; and
- Teaching and Learning, which meets at least termly to consider performance against targets.

The day to day management of each school is delegated to the executive CEO who has appointed a senior leadership team, which meets weekly to advise the CEO about their day to day responsibilities.

Arrangements for setting pay and remuneration of key management personnel

The trust has a Pay Policy that is reviewed annually. The setting of pay and remuneration of key management personnel within the trust is as follows:

- All posts within the structure have detailed job descriptions and person specifications which are subject to annual review and which are written with due regard to enabling staff to maintain a reasonable work/life balance.
- Pay and remuneration is managed at individual school level by their resources committee.
- Each local board has applied the STPDC in respect of teaching staff and has determined the range and grade of each support staff post in accordance with the PARIS job evaluation scheme, taking into account the duties and responsibilities of each post.
- The local governing bodies have the option of paying outside of the terms of STPDC in exceptional circumstances when warranted.
- Each local governing body is fully committed to the operation of an appraisal process for teachers and support staff, with the objective of maximising the professional development of all staff and progress of pupils.

Related parties and other connected charities and organisations

The members, directors, Trustees, governors, senior staff and their families are regarded as related parties in accordance with the definitions in the Charities SORP. As such, The Dunham Trust has conducted related party transactions in this period. A Certificate of Assurance has been signed with respect to these transactions and filed for the purposes of this audit. Further details of this can be found in note 22.

Objectives and activities

Objects and aims

The trust's object is to advance for the public benefit education for children aged 3 to 11 by establishing, maintaining, carrying on, managing and developing schools offering a broad, balanced, relevant and differentiated curriculum.

The Trustees' vision is to create a culture of success to extend lifetime opportunities for young people and to do everything possible to encourage this. The Dunham Trust believes that children should develop a happy way of being together, that their self-respect leads to a respect for the rights and needs of other children and adults from their own culture and other cultures and for the opposite gender.

We are aiming to educate the whole child by presenting a total experience which is right and relevant to his/her individuality, thus fostering the child's intellectual, physical, cultural, moral and spiritual development.

We aim to teach a broad and balanced curriculum as described above followed by an assessment of the children's progress. We also provide time for reflection and evaluation by the teaching staff.

We recognise that change and progress are an important part of everyday life and, therefore, aim to equip children to cope and flourish in dealing with the challenges faced by such changes.

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Objectives, strategies and activities

The academy's objective for the year ended 31 August 2017 was to raise the attainment level of all students through care and well-being, curriculum structure, teaching and learning, and leadership development.

Student roll: the total number on roll (Reception to Year 6) for the year to 31 August 2017 was 212 (Elmridge), 261 (Acre Hall), 30 (Orchards), 389 (Lime Tree) as of May 2017 census.

Admissions: During the period, Elmridge Primary School had an official capacity of 210, Acre Hall Primary of 315, The Orchards of 80 and Lime Tree Primary of 420. The Orchards is a new school building and numbers are constrained by temporary accommodation pending a new build. Acre Hall and Lime Tree Primaries continue to grow healthily towards their respective capacities. (Lime Tree Primary reached capacity Sept 2017 & Acre Hall numbers on roll as of October 2017 was 296)

Staffing: the average number of (full time equivalent) staff employed across the trust during the year to 31 August 2017 was 86.

Public benefit

The trust has a specific public benefit purpose to; operate institutions of state funded education; manage these schools at their optimum in terms of efficiency and value for money to maximise benefit to their pupils; to innovate in education and to provide improved access to better quality schooling.

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties.

Strategic report

Achievements and performance

During this financial year, the trust was fortunate enough to be approached by an outstanding primary school in Trafford wishing to become a member of the MAT. This was Lime Tree Primary school. After a period of due diligence, the trust was proud to announce the school's transfer from The Enquire Learning Trust into the MAT on 1 July 2017.

Lime Tree is an Ofsted outstanding, two form entry primary school. It is also a nationally designated teaching school.

Lime Tree has extensive grounds with a working farm and several dedicated Forest School areas. Its buildings have spacious light filled learning spaces and state of the art technology and resources. Lime Tree offers its pupils the very best start in their education through the careful nurturing of individuals via ingredients of creativity, innovation and academic challenge. The school passionately believes that it is every child's right to receive an education that fosters a lifelong love of learning.

Lime Tree has an above average proportion of children eligible for the pupil premium and above average of children identified with special educational needs.

The trust now boasts two designated teaching school.

A teaching school's role is to:-

- lead the development of a school-led ITT system, through Schools Direct and in some cases seeking full accreditation as an ITT provider;
- lead peer-to-peer professional and leadership development;
- identify and develop leadership potential;
- provide support for other schools;
- designate and broker Specialist Leaders of Education (SLEs); and
- engage in research and development.

Elmridge gained its Teaching School status in partnership/job-share with St Chads CofE, in Oldham. Elmridge and St Chads joined together to work in a collaborative manner, sharing a vision "Give, Gain, Grow". Lime Tree gained its Teaching School designation via The Everyone Learning @ Alliance in Oldham.

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Key performance indicators

The trust seeks to manage all of its schools in a financially responsible manner, planning for small revenue surpluses year on year wherever possible to contribute towards the maintenance of reserves (the trust's reserves policy being described below). As part of this process, the trust aims to maximise funding, efficiencies and value for money.

Below is pupil attainment and achievement data for the academic year 2016/2017 alongside local and national comparisons. This data set includes:

- EYFSP – Early Years Foundation Stage Profile for Reception aged children. This data details attainment.
- Y1 Phonics Screening. This data details attainment.
- KS1 SATs – Key Stage 1 Statutory Assessment Tests in Reading, Writing and Mathematics for Year 2 children. This data details attainment.
- KS2 SATs – Key Stage 2 Statutory Assessment Tests in Reading, Writing; Mathematics and Grammar for Year 6 children. This data details both attainment and progress made by the children from end of KS1 to end of KS2.

Elmridge Results 2017

(with confirmed progress scores 8.09.17)

EYFS

2015 Good Level of Development	2016 Good Level of Development	2017 Good Level of Development
80%	80%	83%
	Trafford 74% National 69%	Trafford 73% National 71%

	Exceeded		
	2015	2016	2017
CLL (Communication Language & Literacy) – L&A (Listening & Attention)	43%	40%	45%
CLL – U (Understanding)	50%	50%	45%
CLL – S (Speaking)	53%	47%	42%
PD (Physical Development) – M&H (Moving & Handling)	50%	43%	42%
PD – H&S (Health & Self Care)	53%	50%	45%
PSED SC (Personal Social & Emotional Development / Self Confidence)	53%	47%	52%
PSED – MF (Managing Feelings)	50%	50%	48%
PSED – MR (Making Relationships)	53%	50%	45%
LIT (Literacy) – R (Reading)	43%	43%	45%
LIT – W (Writing)	37%	33%	31%
MAT (Maths) – N (Number)	40%	37%	31%
MAT – S (Shape)	40%	40%	34%
UTW (World Around Us) – P (People & Communications)	37%	37%	34%
UTW – W	37%	37%	34%
UTW – T (Technology)	77%	70%	48%
EAD (Expressing Arts & Design) – EM (Exploring Media)	47%	43%	45%
EAD – BI (Being Imaginative)	37%	37%	42%

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Y1 Phonics

2015	2016	2017
84%	77%	90%
	Trafford 85% National 81%	Trafford 83% National 81%

KS1 SATs

	2016	2017
Reading	60%	80%
	Trafford 79% National 74%	Trafford 80% National 76%
Writing	63%	73%
	Trafford 69% National 66%	Trafford 72% National 68%
Mathematics	73%	77%
	Trafford 77% National 73%	Trafford 80% National 75%
RWM Combined	60%	70%
	Trafford 64% National 60%	Trafford 68% National 64%

	2016	2017
Reading	WTS (Working Towards) 40% EXS (Expected Standard) 47% GDS (Greater Depth/Higher Standard) 13%	WTS 20% EXS 67% GDS 13%
	GDS 29% Trafford, 24% National	GDS 30% Trafford, 25% National
Writing	WTS 37% EXS 53% GDS 10%	WTS 27% EXS 53% GDS 20%
	GDS 14% Trafford, 13% National	GDS 15% Trafford, 16% National
Mathematics	WTS 27% EXS 47% GDS 27%	WTS 23% EXS 57% GDS 20%
	GDS 22% Trafford, 18% National	GDS 23% Trafford, 20% National
Combined RWM	GDS 6%	GDS 13%
	GDS 10% Trafford, 9% National	GDS 10% Trafford, 11% National

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

KS2 SATs

	2016	2017
Reading	<p>EXS 94% (Trafford 76%, National 66%)</p> <p>Average Score 106.1 (Trafford 104, National 103)</p> <p>Higher Standard 29% (Trafford 27.4%, National 19%)</p>	<p>EXS 90% (Trafford 80%, National 71%)</p> <p>Average Score 107 (Trafford 106, National 104)</p> <p>High Standard 30% (Trafford 33%, National 25%)</p>
Expected Progress	<p>+0.5 (-1.8 to 2.8)</p> <p>Below Expected Progress: 41%, At & Above Expected Progress: 59%</p> <p>Trafford +1.2, National -0.1</p>	<p>+0.8 (-1.5 to 3.1)</p> <p>Below Expected Progress: 43%, At & Above Expected Progress: 57%</p>
Writing	<p>EXS 90% (Trafford 81%, National 74%)</p> <p>Higher Standard 29% (Trafford 16%, National 15%)</p>	<p>EXS 97% (Trafford 81%, National 76%)</p> <p>High Standard 23% (Trafford 18%, National 18%)</p>
Expected Progress	<p>+1.3 (-1.0 to 3.6)</p> <p>Below Expected Progress: 41%, At & Above Expected Progress: 59%</p> <p>Trafford +0.1, National -0.1</p>	<p>+1.2 (-1.0 to 3.4)</p> <p>Below Expected Progress: 47%, At & Above Expected Progress: 54%</p>
Mathematics	<p>EXS 94% (Trafford 80%, National 70%)</p> <p>Average Score 108 (Trafford 105, National 103)</p> <p>Higher Standard 39% (Trafford 27.3%, National 17%)</p>	<p>EXS 97% (Trafford 83%, National 75%)</p> <p>Average Score 108 (Trafford 107, National 104)</p> <p>Higher Standard 37% (Trafford 34%, National 23%)</p>
Expected Progress	<p>+2.3 (0.4 to 4.2)</p> <p>Below Expected Progress: 30%, At & Above Expected Progress: 70%</p> <p>Trafford +1.2, National -0.1</p>	<p>+2.3 (0.3 to 4.3)</p> <p>Below Expected Progress: 36%, At & Above Expected Progress: 64%</p>
Grammar, Punctuation & Spelling	<p>EXS 97% (Trafford 83%, National 73%)</p> <p>Average Score 109.4 (Trafford 108, National 104)</p> <p>Higher Standard 52% (Trafford 33.9%, National 23%)</p>	<p>EXS 100% (Trafford 85%, National 77%)</p> <p>Average Score 109 (Trafford 108, National 106)</p> <p>Higher Standard 50% (Trafford 42%, National 31%)</p>
Combined (Reading, Writing & Mathematics)	<p>87% (Trafford 66%, National 53%)</p> <p>Higher Standard 13% (Trafford 9%, National 5%)</p>	<p>87% (Trafford 70%, National 61%)</p> <p>Higher Standard 13% (Trafford 12%, National 9%)</p>

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

2017 Floor Standard:

At least 65% of pupils meet the expected standard in reading, writing and maths or the school achieves progress scores of at least -5 in reading, -7 in writing and -5 in maths.

Acre Hall Results 2017

EYFS

2016 Good Level of Development		2017 Good Level of Development	
All Pupil = 37 pupils (35 mainstream, 2 SSC)	35 Mainstream Pupils	All Pupils = 42 pupils (40 mainstream, 2 SSC)	40 Mainstream Pupils (6 joined at various points during year)
65%	69% Trafford 73% National 69%	64%	68% Trafford 73% National 71%

Y1 Phonics

2016		2017	
All Pupils = 26 Pupils (22 mainstream, 4 SSC)	22 Mainstream Pupils	All Pupils = 43 (41 mainstream, 2 SSC)	41 Mainstream Pupils (12 joined at various points during year and from that group 6 pupils had not completed R year at a UK school)
81%	86% Trafford 85% National 81%	77%	80% Trafford 83% National 81%

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

KS1 SATs –

	2016 All Pupils = 38 Pupils (35 mainstream, 3 SSC)	2016 35 Mainstream Pupils	2017 All Pupils =31 (24 mainstream, 7 SSC)	2017 24 Mainstream Pupils (4 joined at various points during year – includes 1 with no English)
Reading	74% of which WTS 26% EXS 58% GDS 16%	80% of which WTS 20% EXS 63% GDS 17% Trafford 79% National 74%	61% of which PKF/WTS 39% EXS 42% GDS 19%	79% of which PKF/WTS 21% EXS 54% GDS 25% Trafford 80% National 76%
Writing	71% of which WTS 29% EXS 63% GDS 8%	77% of which WTS 23% EXS 69% GDS 8.58% Trafford 69% National 66%	52% PKF/WTS 48% EXS 42% GDS 10%	67% of which PKF/WTS 33% EXS 54% GDS 12% Trafford 72% National 68%
Mathematics	69% of which WTS 31% EXS 45% GDS 24%	74% of which WTS 26% EXS 49% GDS 25.7% Trafford 77% National 74%	51 % of which PKF/WTS 48% EXS 32% GDS 19%	67% of which PKF/WTS 33% EXS 42% GDS 25% Trafford 80% National 75%
Combined RWM	63%	69% Trafford 64% National 60%	45%	58% Trafford 68% National 64%

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

KS2 SATs				
	2016 All Pupils = 24 Pupils (19 mainstream, 5 SSC)	2016 19 Mainstream Pupils	2017 All Pupils = 25 Pupils (18 mainstream , 7 SSC)	2017 18 Mainstream Pupils (1 pupil joined during year)
Reading	EXS 54% (National 66%) Average Score 95.3 (National 103)	EXS 68% (National 66%) Average Score 100.4	EXS 52% (National 71%) Average Score 75.32 (National 104)	EXS 72% (National 71%) Average Score 104.6 (National 104) (33% GDS*)
Progress	-3.49 Below Expected Progress: 70% At & Above Expected Progress: 30% Trafford +1.2, National - 0.1	-0.7	TBC	-0.4 Below Expected Progress: 56% At & Above Expected Progress: 44% Based on 16 pupils
Writing	EXS 75% (National 74%)	EXS 95% (National 74%)	EXS 64% (National 76%)	EXS 89% (National 76%) (17% GDS)
Expected Progress	-1.12 Below Expected Progress: 38% At & Above Expected Progress: 62% Trafford +0.1, National - 0.1	2.17	TBC	-0.9 Below Expected Progress: 35% At & Above Expected Progress: 65% Based on 17 pupils
Mathematics	EXS 67% (National 70%) Average Score 98.3 (National 103)	EXS 84% (National 70%) Average Score 104.2	EXS 64% (National 75%) Average Score 76.8 (National 104)	EXS 89% (National 75%) Average Score 106.7 (National 104) (28% GDS*)
Expected Progress	-2.26 Below Expected Progress: 43% At & Above Expected Progress: 57% Trafford +1.2, National - 0.1	1.56	TBC	+1.7 Below Expected Progress: 31% At & Above Expected Progress: 69% Based on 16 pupils

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Grammar, Punctuation & Spelling	EXS 62% (National 72%) Average Score 97.3 (National 104)	EXS 79% (National 72%) Average Score 102.8	EXS 60% (National 77%) Average Score 76.4 (National 106)	EXS 83% (National 77%) Average Score 106.11 (National 106) (28% GDS*)
Combined (Reading, Writing & Mathematics)	EXS 50% (National 53%)	EXS 63% (National 53%)	EXS 52% (National 61%)	EXS 72% (National 61%)

Lime Tree results 2017

EYFS

2016 Good Level of Development	2017 Good Level of Development
62% Trafford 73% National 69%	64% Trafford 73% National 71%

Y1 Phonics

2016	2017
83% Trafford 85% National 81%	75% Trafford 83% National 81%

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

KS1 SATs –

	2016	2017
Reading	65% Trafford 79% National 74% GDS 28% Trafford 29% National 24%	77% Trafford 80% National 76% GDS 21% Trafford 3% National 25%
Writing	60% Trafford 69% National 66% GDS 28% Trafford 14% National 13%	70% Trafford 72% National 68% GDS 14% Trafford 15% National 16%
Mathematics	65% Trafford 77% National 73% GDS 23% Trafford 22% National 18%	82% Trafford 80% National 75% GDS 22.8% Trafford 23% National 20%
Combined RWM	55% Trafford 64% National 60% GDS 10% Trafford 10% National 9%	70% Trafford 68% National 64% GDS 9% Trafford 10% National 11%

KS2 SATs –

	2016	2017
Reading	(EXS) 66% Trafford 76% National 66% GDS 17% Trafford 27.4% National 19%	(EXS) 72% Trafford 80% National 71% GDS 17% Trafford 33% National 25%
Writing	(EXS) 76% Trafford 81% National 74% GDS 24% Trafford 16% National 15%	(EXS) 79% Trafford 81% National 76% GDS 24% Trafford 18% National 18%
Mathematics	(EXS) 90% Trafford 80% National 70% GDS 26% Trafford 27.3% National 17%	(EXS) 90% Trafford 83% National 75% GDS 20% Trafford 34% National 23%
Combined RWM	(EXS) 62% Trafford 66% National 53% GDS 10% Trafford 9% National 5%	(EXS) 66% Trafford 70% National 61% GDS 14% Trafford 12% National 9%
Grammar, Punctuation & Spelling	69% Trafford 83% National 73% GDS 14% Trafford 33.9% National 23%	86% Trafford 85% National 77% GDS 28% Trafford 42% National 31%

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Data for The Orchards

When The Orchards opened in September 2016, as a special free school, it was anticipated that the greater majority of the pupils would not sit national tests at any key stage. Whilst this year this has proven to be the case, measured progress has been made by and recorded by the school's internal assessment system. With the appointment of a new Head of School on 1 September 2017, these measures will be revisited and refined.

Going concern

After making appropriate enquiries, the board of Trustees 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. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

Financial review

The trust's financial position for the period to 31 August 2017 demonstrates total income of £9,694,000 with a surplus at 31 August 2017 of £5,818,000. The surplus has been allocated to reserves.

The trust is predominantly funded by the ESFA General Annual Grant and other government grants. The funding is predominantly restricted for the purposes of education. The trust is driven to use all of its resources for the provision (directly or indirectly) for this restricted purpose in order to provide the best quality education for its pupils.

The reserves will be utilised for continuous improvements and for the repair and replacement of educational equipment and materials. Reserves will also be allocated to the repair, replacement and updating of the academy's buildings, its plant, equipment and contents and also for specific building projects.

The principal financial management policies adopted in the year are:

- regular financial reviews of income and expenditure versus planned budgets at Resources Committee meetings; and
- consideration as to whether income streams demonstrate a robust and stable position to continue to enable the provision of resources of sufficient quality to fulfil the academy's educational obligations.

Reserves carried forward at 31 August 2017 will be utilised as part of the medium and long term plans of the academy to improve and update its educational resources, materials and equipment, and additionally provide a continuous improvement plan to maintain and repair the site and facilities.

Reserves policy

The Trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure stream, the need to match income with commitments and the nature of reserves. The Trustees have determined that the appropriate level of free reserves should never be less than £340,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves (total funds less the amount held in fixed assets restricted fund but excluding pension reserve) is £478,000.

Investment policy

The trust does not consider the investment of surplus funds as a primary activity; rather it is the result of good stewardship as and when circumstances allow.

The purpose of the policy is to:

- Ensure adequate cash balances are maintained in the current account to cover day-to-day working capital requirements.
- Ensure there is no risk of loss in the capital value of any cash funds invested.
- Protect the capital value of any invested funds against inflation.
- Optimise returns on invested funds.

THE DUNHAM TRUST

TRUSTEES' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Principal risks and uncertainties

The Dunham Trust has adopted a Risk Management Policy and has created a Risk Register and risk review process. The objective of this is to regularly review and, where it is considered necessary, put in place measures of control and mitigation in order to manage risk.

The principal risks are seen as the loss of reputation through falling standards, falling student rolls and failure to safeguard our students.

Key controls in place are:

- an organisational structure with defined roles, responsibilities and authorisation levels;
- terms of reference for the committees of the governing bodies;
- financial planning, budgeting and regular management reporting highlighting areas of financial risk;
- formal written and published policies for employees; and
- vetting procedures as required by law for the protection of the vulnerable.

The academy has recognised its share of the Local Government Pension Scheme (LGPS) assets and liabilities in accordance with FRS102. A deficit has been recognised at 31 August 2017. Future contribution rates are adjusted so as to reduce this deficit.

Plans for future periods

The trust will continue to build upon its good name and current success. The results of its schools will continue to improve and the performance of the teaching schools will continue to develop so as to establish further relationships across the North West of England and beyond. The trust will continue to expand the capacity of Acre Hall and The Orchards in every aspect and these schools will continue to improve.

The trust is likely to be invited to join forces with other struggling schools as a sponsor academy with a view to turning the fortunes of these schools around. Therefore, the number of schools within the trust is likely to grow.

The trust will continue to search out new and innovative ways of expanding its own capacity and developing the learning opportunities for those children fortunate enough to fall under its influence.

Auditor

Insofar as the Trustees are aware:

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

This Trustees' report, incorporating a strategic report, approved by order of the board of Trustees, as the company directors, on *19th Dec 17*, and signed on the board's behalf by:


.....
P Reilly
Chair of Trustees

THE DUNHAM TRUST

GOVERNANCE STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2017

Scope of responsibility

As Trustees, we acknowledge we have overall responsibility for ensuring that The Dunham 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 the trust's CEO, as accounting officer, for ensuring financial controls conform to 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 The Dunham Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control. This work is aided by each member academy's local governing body and their sub-committees.

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of Trustees' responsibilities.

The board of Trustees has met five times in the year. Attendance for the meetings was as follows:

Trustees	Meetings attended	Out of possible
P Reilly (Chair of trust. LGB chair Elmridge)	5	5
J Appleyard (CEO)	5	5
N Payne	2	5
I Mackenzie	2	5
P Cherry (HR)	2	5
D Vanstone (Chair LGB Acre Hall)	5	5
S Tarbuck (Finance)	1	5
A Turner	4	5
D Mallalieu	1	1

The governing body of Elmridge Primary School has met four times during the period. Attendance during the meetings of the governing body was as follows:

Local governor	Meetings attended	Out of possible
P Reilly (Chair and Trustee)	4	4
J Appleyard (CEO and Trustee)	4	4
J Amin	3	4
M Edmundson	4	4
P Tarry	3	4
J Tracey	4	4
J Price	4	4
N Downie	4	4
D Pattison (Appointed 16 October 2016)	3	3
C Moore (Appointed 16 October 2016)	2	3

THE DUNHAM TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The Resources Committee is a sub-committee of the main board. Its purpose is to exercise the powers and duties of the main board in respect of the financial administration of the academy trust, except for those items specifically reserved for the main board and/or other staff.

The committee met three times in the year. Attendance at meetings in the period was as follows:

Local governor	Meetings attended	Out of possible
J Appleyard	2	3
M Edmundson	3	3
P Reilly	3	3
P Tarry	0	3
J Tracey	0	3
C Moore	0	2

The governing body of Acre Hall Primary School has met four times during the period. Attendance during the meetings of the governing body was as follows:

Local governor	Meetings attended	Out of possible
A White	3	4
D Vanstone (Chair & Trustee)	4	4
J Appleyard (CEO & Trustee)	4	4
K Mills	4	4
A Brown	1	4
S Pitchon (Resigned 16 May 2017)	0	2
P Ratcliffe	0	4
P Tarry	2	4
J West	3	4
G Marsh	2	4
B Shaw	0	4
C Cooper	2	3

The Resources Committee is a sub-committee of the main board. Its purpose is to exercising the powers and duties of the main board in respect of the financial administration of the academy, except for those items specifically reserved for the main board and/or other staff.

The committee met three times in the year. Attendance at meetings in the period was as follows:

Local governor	Meetings attended	Out of possible
A White	3	3
J Appleyard	1	3
K Mills	3	3
P Ratcliffe	1	3
D Vanstone	3	3
B Shaw	0	3
P Tarry	1	3

THE DUNHAM TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

The governing body of The Orchards Primary School has met four times during the period. Attendance during the meetings of the governing body was as follows:

Local governor	Meetings attended	Out of possible
A Turner	4	4
J Appleyard	4	4
E Haddock	2	2
C Larkin (acting Head of School)	2	2
L O'Shaughnessy	4	4
N Jolley	4	4
D Heywood	4	4
L Seton	4	4
L Kgasago	2	3

The Resources Committee is a sub-committee of the main board. Its purpose is to exercising the powers and duties of the main board in respect of the financial administration of the academy, except for those items specifically reserved for the main board and/or other staff.

The committee met three times in the year. Attendance at meetings in the period was as follows:

Local governor	Meetings attended	Out of possible
Head of School	3	3
J Appleyard	2	3
L O'Shaughnessy	3	3
L Kgasago	2	3

There were no meetings relating to Lime Tree Primary Academy for the period that they were members of the trust.

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 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 available. The accounting officer for the academy trust has delivered improved value for money by:

Raising student achievement

This is demonstrated by the continued upward trend in the trust's key performance indicators such as those outlined above. The Dunham Trust also tracks the attendance and behaviour of all pupils, with attendance being consistently above national expectations.

The Dunham Trust will ensure that where possible additional needs of individual pupils will be met and appropriate resources (staff and equipment) will be made available such as one to one support or stretch and challenge for the more able pupils.

Robust governance and financial oversight

The directors of The Dunham Trust are responsible for determining the trust's financial priorities linking this to the long term vision, the trust's improvement plans and directions given by the full governing body of each member school.

THE DUNHAM TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Items for discussion and action by this board, the full governing bodies and committees include:

- 1) To approve the start budget for the financial year.
- 2) To establish and maintain an up to date 3 year financial plan.
- 3) To consider a budget position statement including virement decisions at least termly and to report significant anomalies from the anticipated position to the governing body.
- 4) To ensure that the trust operates within the financial regulations set out in the Academies Financial Handbook.
- 5) To annually review and appoint the independent examiner (internal auditor) and the external accountants, in line with ESFA guidelines.
- 6) To ensure that ring fenced funding streams, such as Pupil Premium, will be used as directed and to maximum effect.
- 7) To make decisions on expenditure following recommendations from other committees.
- 8) To ensure, as far as is practical, that health and safety issues are appropriately prioritised.
- 9) To determine whether sufficient funds are available for staff pay increments and increases.
- 10) To assess the possibility of further collaborative work with other education providers and business links that will allow for increased sharing of good practice.
- 11) To ensure that the academy is a going concern and will remain viable for the foreseeable future.

The accounting officer for The Dunham Trust is aware of their personal responsibility to Parliament for regularity (spending money for the purposes intended by Parliament), propriety (handling money honestly and avoiding conflicts of interest) and value for money.

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's policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Dunham Trust for the period 1 September 2016 to 31 August 2017 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 operation, 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 on-going process of identifying, evaluating and managing the academy trust's significant risks that have been in place for the period 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

The risk and control framework

The academy trust's system of internal 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 system with an annual budget and periodic financial reports which are reviewed and agreed by the board of Trustees;
- regular review by the Finance and Personnel Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defining purchasing (assets purchase or capital investment) guidelines;
- delegation of authority and segregation of duties; and
- identification and management of risks.

The board of Trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Haines Watts, the trust's external auditor, to carry out a supplementary programme of work which involves termly academy assurance reviews including giving advice on financial matters and performing a range of checks on the academy trust's financial systems and delivering assurance reports.

THE DUNHAM TRUST

GOVERNANCE STATEMENT (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Review of effectiveness


As accounting officer, the CEO 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 executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework;
- the work of the internal assurance provider;
- the work of the external auditors; and
- the financial management and governance self-assessment process.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Trustees on ^{19th Dec 2017} and signed on its behalf by:


.....
P Reilly
Chair of Trustees


.....
J Appleyard
Accounting officer

THE DUNHAM TRUST

STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

FOR THE YEAR ENDED 31 AUGUST 2017

As accounting officer of The Dunham Trust I have considered my responsibility to notify the academy trust board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust's board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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.



J Appleyard
Accounting officer

Date: 14 Dec 2017

THE DUNHAM TRUST

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees (who also act as governors for The Dunham Trust and are also the directors of The Dunham Trust for the purposes of company law) are responsible for preparing the Trustees' report and the accounts in accordance with the Annual Accounts Direction issued by the Education and 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 accounts for each financial year. Under company law the Trustees must not approve the accounts unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period.

In preparing these accounts, the Trustees are required to:

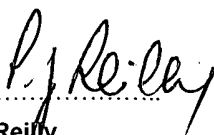
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

The Trustees are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring that grants received from 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 accounts may differ from legislation in other jurisdictions.

Approved by order of the board of Trustees on 14th Dec 2017 and signed on its behalf by:


P Reilly
Chair Trustees

THE DUNHAM TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DUNHAM TRUST

FOR THE YEAR ENDED 31 AUGUST 2017

Opinion

We have audited the accounts of The Dunham Trust for the year ended 31 August 2017 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the notes to the accounts, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice), the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017.

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 'Auditor's responsibilities for the audit of the accounts' 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 accounts in the UK, including the FRC'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 accounts is not appropriate; or
- the Trustees have not disclosed in the accounts 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 accounts are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the accounts and our auditor's report thereon. The Trustees are responsible for the other information. Our opinion on the accounts 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.

In connection with our audit of the accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the accounts 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 accounts 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.

THE DUNHAM TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DUNHAM TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report including the incorporated strategic report for the financial year for which the accounts are prepared is consistent with the accounts; and
- the Trustees' report including the incorporated strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the 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, including the incorporated strategic 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 accounts are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of Trustees

As explained more fully in the statement of Trustees' responsibilities, the Trustees are responsible for the preparation of the accounts 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 accounts that are free from material misstatement, whether due to fraud or error.

In preparing the accounts, 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 charitable company, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 accounts.

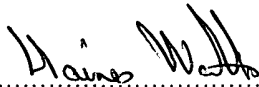
A further description of our responsibilities for the audit of the accounts is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

THE DUNHAM TRUST

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DUNHAM TRUST (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

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



John Whittick BSc FCA (Senior Statutory Auditor)
for and on behalf of Haines Watts

Chartered Accountants

Statutory Auditor

Bridge House

Ashley Road

Hale

Altrincham

WA14 2UT

Dated: 19/11/17

THE DUNHAM TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE DUNHAM TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

FOR THE YEAR ENDED 31 AUGUST 2017

In accordance with the terms of our engagement letter dated 7 August 2014 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Dunham Trust during the period 1 September 2016 to 31 August 2017 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 The Dunham Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Dunham Trust and 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 The Dunham Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Dunham Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Dunham Trust's funding agreement with the Secretary of State for Education dated 30 August 2012 and the Academies Financial Handbook, extant from 1 September 2016, 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 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 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 2016 to 2017 issued by 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.

THE DUNHAM TRUST

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE DUNHAM TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)

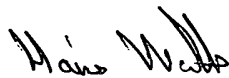
FOR THE YEAR ENDED 31 AUGUST 2017

The work undertaken to draw to our conclusion includes:

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.
- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the board of Trustees, and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the board of Trustees and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

Conclusion

In the course of our work nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Haines Watts
Reporting Accountant

Dated: 19/11/17

THE DUNHAM TRUST

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	Unrestricted Funds £(000)	Restricted funds: General £(000)	Fixed asset £(000)	Total 2017 £(000)	Total 2016 £(000)
Income and endowments from:						
Donations and capital grants	2	6	8	82	96	273
Donations - Transfer of existing academy into the trust	24	-	(605)	6,072	5,467	-
Donations - Transfer of existing academy into the trust	24	136	-	-	136	-
Charitable activities:						
- Funding for educational operations	3	-	3,810	-	3,810	2,447
- Teaching schools		-	46	-	46	46
Other trading activities	4	139	-	-	139	97
Investments	5	-	-	-	-	1
Total income and endowments		<u>281</u>	<u>3,259</u>	<u>6,154</u>	<u>9,694</u>	<u>2,864</u>
Expenditure on:						
Raising funds	6	5	-	-	5	35
Charitable activities:						
- Educational operations	7	54	3,997	161	4,212	2,871
- Teaching schools		-	46	-	46	46
Total expenditure	6	<u>59</u>	<u>4,043</u>	<u>161</u>	<u>4,263</u>	<u>2,952</u>
Net income/(expenditure)		222	(784)	5,993	5,431	(88)
Transfers between funds		(41)	(78)	119	-	-
Other recognised gains and losses						
Actuarial gains/(losses) on defined benefit pension schemes	18	-	387	-	387	(445)
Net movement in funds		181	(475)	6,112	5,818	(533)
Reconciliation of funds						
Total funds brought forward		<u>167</u>	<u>(974)</u>	<u>5,422</u>	<u>4,615</u>	<u>5,148</u>
Total funds carried forward		<u>348</u>	<u>(1,449)</u>	<u>11,534</u>	<u>10,433</u>	<u>4,615</u>

THE DUNHAM TRUST

BALANCE SHEET

AS AT 31 AUGUST 2017

		2017	2016
	Notes	£(000)	£(000)
Fixed assets			
Tangible assets	11	11,534	5,422
Current assets			
Debtors	12	486	187
Cash at bank and in hand		540	369
		1,026	556
Current liabilities			
Creditors: amounts falling due within one year	13	(540)	(254)
Net current assets		486	302
Total assets less current liabilities		12,020	5,724
Creditors: amounts falling due after more than one year	14	(8)	(8)
Net assets excluding pension liability		12,012	5,716
Defined benefit pension liability	18	(1,579)	(1,101)
Net assets		10,433	4,615
Funds of the academy trust:			
Restricted funds	16		
- Fixed asset funds		11,534	5,422
- Restricted income funds		130	127
- Pension reserve		(1,579)	(1,101)
Total restricted funds		10,085	4,448
Unrestricted income funds	16	348	167
Total funds		10,433	4,615

The accounts were approved by the board of Trustees and authorised for issue on 31 Dec 2017 and are signed on its behalf by:


P Reilly
Chair of Trustees

Company Number 08120128

THE DUNHAM TRUST

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 AUGUST 2017

	Notes	2017 £(000)	2016 £(000)
Cash flows from operating activities			
Net cash provided by operating activities	19	106	245
Cash funds transferred on transfer to the trust		184	-
		<u>290</u>	<u>245</u>
Cash flows from investing activities			
Dividends, interest and rents from investments		-	1
Capital grants from DfE and ESFA		82	249
Payments to acquire tangible fixed assets		<u>(201)</u>	<u>(1,754)</u>
		(119)	(1,504)
Cash flows from financing activities			
Repayment of long term bank loan		<u>-</u>	<u>9</u>
		-	9
Change in cash and cash equivalents in the reporting period		<u>171</u>	<u>(1,250)</u>
Cash and cash equivalents at 1 September 2016		<u>369</u>	<u>1,619</u>
Cash and cash equivalents at 31 August 2017		<u>540</u>	<u>369</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

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

1.1 Basis of preparation

The accounts 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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Dunham Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, ie whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the charitable company to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the accounts 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 accounts.

1.3 Transfer of an academy into the academy trust

The transfer of Lime Tree Primary School from The Enquire Learning Trust to The Dunham trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities of Lime Tree Primary School transferred from The Enquire Learning Trust to The Dunham Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations – transfer of existing academy into the trust - 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 24.

1.4 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 receivable

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

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

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Donations

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

Other income

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

Donated goods, facilities and services

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

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

On conversion to an academy Trafford Borough Council donated, on a 125 year lease, the land and property of the schools. The buildings were over 50 years old so on the basis of depreciable replacement value no value was given to them. The land transferred at £291,000 (Elmridge Primary School) and £367,000 (Acre Hall Primary School) was valued at the date of transfer according to local land prices. When Lime Tree Primary School joined the trust on 1 July 2017, the leasehold land and buildings was transferred from The Enquire Learning Trust at value of £2,403,000 for the land and £3,574,762 for the buildings. This value was based on a formal valuation carried out at 31 August 2014 by Smiths Chartered Surveyors.

1.5 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

Charitable activities

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

Governance costs

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

1.6 Tangible fixed assets and depreciation

Assets costing £500 (Elmridge Primary School, Acre Hall Primary School & The Orchards) and £1,000 (Lime Tree Primary School) or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Land and buildings	Land nil, buildings over 50 years
Computer equipment	over 3-4 years
Fixtures, fittings & equipment	over 4-5 years

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

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

1.7 Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

1.8 Leasing and hire purchase commitments

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

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

1.9 Taxation

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

1.10 Pensions benefits

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

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 18, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions are recognised in the period to which they relate.

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

1.11 Fund accounting

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

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

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

1.12 Critical accounting estimates and areas of judgement

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

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

1 Accounting policies

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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 18, 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 2017. 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.

2 Donations and capital grants

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2017 £(000)	Total 2016 £(000)
Capital grants	-	82	82	249
Other donations	6	8	14	24
	<u>6</u>	<u>90</u>	<u>96</u>	<u>273</u>

The income from donations and capital grants was £96,000 (2016: £273,000) of which £6,000 was unrestricted (2016: £13,000), £8,000 was restricted (2016: £11,000) and £82,000 was restricted fixed assets (2016: £249,000)

3 Funding for the academy trust's educational operations

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2017 £(000)	Total 2016 £(000)
DfE / ESFA grants				
General annual grant (GAG)	-	2,953	2,953	2,057
Other DfE / ESFA grants	-	349	349	220
NCTL Teaching Schools grants	-	46	46	46
	<u>-</u>	<u>3,348</u>	<u>3,348</u>	<u>2,323</u>
Other government grants				
Local authority grants	-	508	508	170
	<u>-</u>	<u>508</u>	<u>508</u>	<u>170</u>
Total funding	<u>-</u>	<u>3,856</u>	<u>3,856</u>	<u>2,493</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

3 Funding for the academy trust's educational operations

The income from funding for educational operations was £3,856,000 (2016: £2,493,000) of which £3,856,000 was restricted (2015: £2,493,000).

The academy trust received £337,000 (2016 - £170,000) from the local authority in the year, being £202,000 (2016 - £46,000) high needs funding, £125,000 (2016 - £120,000) nursery funding and £11,000 (2016 - £4,000) other funding. £170,000 (2016 - £nil) was received from other local authorities for out of borough funding.

There were no unfulfilled conditions or other contingencies relating to the grants in the year.

4 Other trading activities

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2017 £(000)	Total 2016 £(000)
Hire of facilities	4	-	4	15
Catering income	3	-	3	3
Other income	132	-	132	79
	<u>139</u>	<u>-</u>	<u>139</u>	<u>97</u>

The income from other trading activities was £139,000 (2016: £97,000) of which £139,000 was unrestricted (2016: £97,000).

5 Investment income

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2017 £(000)	Total 2016 £(000)
Short term deposits	-	-	-	1
	<u>-</u>	<u>-</u>	<u>-</u>	<u>1</u>

The income from funding for investment income was £292 (2016: £1,000) of which £262 was unrestricted (2016: £1,000).

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

6 Expenditure

	Staff costs £(000)	Premises & equipment £(000)	Other costs £(000)	Total 2017 £(000)	Total 2016 £(000)
Academy's educational operations					
- Direct costs	2,030	130	329	2,489	1,671
- Allocated support costs	1,136	118	515	1,769	1,246
	<u>3,166</u>	<u>248</u>	<u>844</u>	<u>4,258</u>	<u>2,917</u>
Other expenditure					
Raising funds	-	-	5	5	35
	<u>-</u>	<u>-</u>	<u>5</u>	<u>5</u>	<u>35</u>
Total expenditure	<u>3,166</u>	<u>248</u>	<u>849</u>	<u>4,263</u>	<u>2,952</u>

The expenditure on raising funds was £5,000 (2016: £35,000) of which £5,000 was unrestricted (2016: £35,000).

Net income/(expenditure) for the year includes:

	2017 £(000)	2016 £(000)
Fees paid to auditor for audit services	18	11
Operating lease rentals	12	27
Depreciation of tangible fixed assets	<u>161</u>	<u>122</u>

Central services

No central services were provided by the academy trust to its academies during the year and no central charges arose.

7 Charitable activities

	Unrestricted funds £(000)	Restricted funds £(000)	Total 2017 £(000)	Total 2016 £(000)
Direct costs - educational operations	54	2,435	2,489	1,671
Support costs - educational operations	-	1,769	1,769	1,246
	<u>54</u>	<u>4,204</u>	<u>4,258</u>	<u>2,917</u>

The expenditure on educational operations was £4,224,000 (2016: £2,917,000) of which £146,000 was unrestricted (2016: £74,000), £3,917,000 was restricted (2016: £2,721,000) and £161,000 was restricted fixed assets (2016: £122,000)

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

7 Charitable activities

Analysis of costs	2017 £(000)	2016 £(000)
Direct costs		
Teaching and educational support staff costs	1,995	1,353
Staff development	35	14
Depreciation and amortisation	130	110
Technology costs	45	33
Educational supplies and services	284	161
	<u>2,489</u>	<u>1,671</u>
Support costs		
Support staff costs	1,136	694
Depreciation and amortisation	31	12
Technology costs	3	-
Maintenance of premises and equipment	87	44
Cleaning	84	70
Energy costs	61	59
Rent and rates	47	50
Insurance	18	19
Security and transport	1	-
Catering	103	75
Interest on pension deficit	26	23
Other support costs	133	183
Governance costs	39	17
	<u>1,769</u>	<u>1,246</u>

8 Staff costs

	2017 £(000)	2016 £(000)
Wages and salaries	2,224	1,559
Social security costs	209	125
Operating costs of defined benefit pension schemes	549	300
	<u>2,982</u>	<u>1,984</u>
Staff costs		
Supply staff costs	127	98
Staff restructuring costs	22	-
Staff development and other staff costs	35	14
	<u>184</u>	<u>112</u>
Total staff expenditure	<u>3,166</u>	<u>2,096</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

8 Staff costs

Staff numbers

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

	2017 Number	2016 Number
Teachers	49	15
Administration and support	103	36
Management	14	7
	<u>166</u>	<u>58</u>

Higher paid staff

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

	2017 Number	2016 Number
£60,001 - £70,000	1	1
£80,001 - £90,000	1	1
£120,001 - £130,001	1	-
	<u>3</u>	<u>2</u>

Non statutory/non-contractual staff severance payments

Included in wages and salaries costs are non-statutory/non-contractual severance payments totalling £22,278(2016: £nil). Individually, the payments were: £13,428, £6,136 and £2,714.

Key management personnel

The key management personnel of the academy trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £775,752 (2016: £507,550).

9 Trustees' remuneration and expenses

The chief executive officer and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of and staff, 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. No travel and subsistence expenses were reimbursed to the Trustees during the year to 31 August 2017 (2016 £nil).

The value of Trustees' remuneration was as follows:

J Appleyard (chief executive officer)

Remuneration - £120,001 - £125,000 (2016: £120,001- £125,000)

Employers pension contribution - £20,001 - £25,000 (2016 - £20,001 - £25,000)

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

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

10 Trustees and officers insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. The scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

11 Tangible fixed assets

	Land and buildings	Computer equipment	Fixtures, fittings & equipment	Total
	£(000)	£(000)	£(000)	£(000)
Cost				
At 1 September 2016	5,509	73	59	5,641
Transfer into the trust	6,193	62	76	6,331
Additions	65	75	61	201
	<u>11,767</u>	<u>210</u>	<u>196</u>	<u>12,173</u>
At 31 August 2017	11,767	210	196	12,173
Depreciation				
At 1 September 2016	124	49	46	219
Transfer into the trust	216	32	11	259
Charge for the year	111	34	16	161
	<u>451</u>	<u>115</u>	<u>73</u>	<u>639</u>
At 31 August 2017	451	115	73	639
Net book value				
At 31 August 2017	<u>11,316</u>	<u>95</u>	<u>123</u>	<u>11,534</u>
At 31 August 2016	<u>5,385</u>	<u>24</u>	<u>13</u>	<u>5,422</u>

The net book value of land and buildings comprises:

	2017 £(000)	2016 £(000)
Long leaseholds (over 50 years)	<u>11,316</u>	<u>5,385</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

11 Tangible fixed assets

On conversion to academy status both Elmridge Primary School and Acre Hall Primary School inherited the leasehold interest in the school land from Trafford Borough Council. Buildings to the value of £nil are included in fixed assets being the depreciated replacement cost, estimated by the Trustees as at 1 September 2012 (Elmridge Primary School) and 1 July 2013 (Acre Hall Primary School).

On 1 July 2017 Lime Tree Primary school transferred into the trust from The Enquire Learning Trust. Land and Buildings were transferred at a value based on a professional valuation carried out at 31 August 2014. Land was transferred at £2,403,000 and buildings at a depreciated valuation of £3,574,000. IT equipment was transferred at depreciated cost of £30,000 and fixtures and fittings at a depreciated cost of £65,000.

Transfer of the title of the land and buildings at Lime Tree Primary School, Budworth Road, Sale, M33 2RP, occurred on 1st July 2017 from The Enquire Learning Trust to The Dunham Trust.

The total land value included in fixed assets is £3,061,000.

12 Debtors	2017 £(000)	2016 £(000)
Trade debtors	70	9
VAT recoverable	63	49
Other debtors	32	-
Prepayments and accrued income	321	129
	<u>486</u>	<u>187</u>
	<u>486</u>	<u>187</u>
13 Creditors: amounts falling due within one year	2017 £(000)	2016 £(000)
Government loans	1	1
Trade creditors	81	27
Other creditors	11	-
Accruals and deferred income	447	226
	<u>540</u>	<u>254</u>
	<u>540</u>	<u>254</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

14	Creditors: amounts falling due after more than one year	2017 £(000)	2016 £(000)
	Government loans	8	8
	Analysis of loans		
	Wholly repayable within five years	9	9
	Less: included in current liabilities	(1)	(1)
	Amounts included above	8	8
	Instalments not due within five years	3	3
	Loan maturity		
	Debt due in one year or less	1	1
	Due in more than one year but not more than two years	1	1
	Due in more than two years but not more than five years	3	3
	Due in more than five years	3	4
		8	9

The Government loan is part of the funding approved by the ESFA for the improvements to Acre Hall Primary School. The funding was delivered as a combination of capital grant and a 0% Salix loan.

15	Deferred income	2017 £(000)	2016 £(000)
	Deferred income is included within:		
	Creditors due within one year	139	40
	Deferred income at 1 September 2016	40	51
	Released from previous years	(40)	(51)
	Amounts deferred in the year	139	40
	Deferred income at 31 August 2017	139	40

At the balance sheet date the academy trust was holding UIFSM income, Core grant income, Curious Minds income, Erasmus grant income and nursery income received in advance of the 2017/18 academic year.

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

16 Funds

	Balance at 1 September 2016	Incoming resources	Resources expended	Gains, losses & transfers	Balance at 31 August 2017
	£(000)	£(000)	£(000)	£(000)	£(000)
Restricted general funds					
General Annual Grant	8	2,953	(2,997)	37	1
Other DfE / ESFA grants	76	395	(399)	-	72
Other government grants	-	508	(453)	-	55
Other restricted funds	43	79	(5)	(115)	2
	<u>127</u>	<u>3,935</u>	<u>(3,854)</u>	<u>(78)</u>	<u>130</u>
Funds excluding pensions	(1,101)	(676)	(189)	387	(1,579)
	<u>(974)</u>	<u>3,259</u>	<u>(4,043)</u>	<u>309</u>	<u>(1,449)</u>
Restricted fixed asset funds					
DfE / ESFA capital grants	4,232	82	(117)	36	4,233
Inherited funds	655	6,072	(18)	-	6,709
Capital expenditure from GAG	57	-	(17)	83	123
Other government grants	478	-	(9)	-	469
	<u>5,422</u>	<u>6,154</u>	<u>(161)</u>	<u>119</u>	<u>11,534</u>
Total restricted funds	<u>4,448</u>	<u>9,413</u>	<u>(4,204)</u>	<u>428</u>	<u>10,085</u>
Unrestricted funds					
General funds	<u>167</u>	<u>281</u>	<u>(59)</u>	<u>(41)</u>	<u>348</u>
Total funds	<u>4,615</u>	<u>9,694</u>	<u>(4,263)</u>	<u>387</u>	<u>10,433</u>

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

Restricted general funds are those resources that have been designated restricted by the grant provider in meeting the objectives of the trust.

Restricted fixed asset funds are those funds relating to the long term assets of the trust used in delivering the objectives of the trust.

Unrestricted funds are those funds to which the board of Trustees may use in the pursuance of the trust's objectives and are expendable at the discretion of the Trustees.

The transfer from General Annual Grant restricted general fund to restricted fixed asset funds is to meet the cost of fixed asset additions for which there was no specific capital funding in the year.

The transfer from unrestricted general funds to restricted General Annual Grant funds is to cover the overspend in the year.

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 2017.

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

16 Funds

Total funds analysis by academy

Fund balances at 31 August 2017 were allocated as follows:

	Total £(000)
Elmridge Primary School	189
Acre Hall Primary School	39
The Orchards	77
Lime Tree Primary School	173
Total before fixed assets fund and pension reserve	478
 Restricted fixed asset fund	 11,534
Pension reserve	(1,579)
Total funds	10,433

Total cost analysis by academy

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

	Teaching and educational support staff costs £(000)	Other support staff costs £(000)	Educational supplies £(000)	Other costs excluding depreciation £(000)	Total £(000)
Elmridge Primary School	525	367	128	194	1,214
Acre Hall Primary School	883	438	119	220	1,660
The Orchards	390	290	56	113	849
Lime Tree Primary School	232	67	19	61	379
	<u>2,030</u>	<u>1,162</u>	<u>322</u>	<u>588</u>	<u>4,102</u>

17 Analysis of net assets between funds

	Unrestricted Funds £(000)	Restricted funds: General £(000)	Fixed asset £(000)	Total 2017 £(000)
Fund balances at 31 August 2017 are represented by:				
Tangible fixed assets	-	-	11,534	11,534
Current assets	896	130	-	1,026
Creditors falling due within one year	(540)	-	-	(540)
Creditors falling due after one year	(8)	-	-	(8)
Defined benefit pension liability	-	(1,579)	-	(1,579)
	<u>348</u>	<u>(1,449)</u>	<u>11,534</u>	<u>10,433</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Pensions and similar obligations

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2016 and of the LGPS 31 March 2016.

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

Teachers' Pension Scheme

Introduction

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

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 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014.

The key elements of the valuation and subsequent consultation are:

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

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS 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 pension costs paid to the TPS in the period amounted to £240,000 (2016: £161,000).

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

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Pensions and similar obligations

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate Trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are yet to be agreed. The estimated value of employer contributions for the forthcoming year is £292,000.

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

Total contributions made	2017 £(000)	2016 £(000)
Employer's contributions	197	104
Employees' contributions	59	31
Total contributions	256	135
Principal actuarial assumptions	2017 %	2016 %
Rate of increases in salaries	3.2	3.4
Rate of increase for pensions in payment	2.4	2.1
Discount rate	2.5	2.0

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Pensions and similar obligations

The sensitivity regarding the principal assumptions used to measure the scheme liabilities are set out below:
Change in assumptions at 31 August 2017:

Elmridge Primary School & Acre Hall Primary School

	Approximate % increase to employer liability	Approximate monetary amount £'000
0.5% decrease in real discount rate	11%	352
0.5% increase in the salary increase rate	2%	74
0.5% increase in the pension increase rate	8%	272

The Orchards Primary School

	Approximate % increase to employer liability	Approximate monetary amount £'000
0.5% decrease in real discount rate	16%	15
0.5% increase in the salary increase rate	0%	0
0.5% increase in the pension increase rate	16%	15

Lime Tree Primary School

	Approximate % increase to employer liability	Approximate monetary amount £'000
0.5% decrease in real discount rate	16%	276
0.5% increase in the salary increase rate	5%	82
0.5% increase in the pension increase rate	11%	187

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

	2017 Years	2016 Years
Retiring today		
- Males	21.5	21.4
- Females	24.1	24.0
Retiring in 20 years		
- Males	23.7	24.0
- Females	26.2	26.6

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Pensions and similar obligations

The academy trust's share of the assets in the scheme

	2017 Fair value £(000)	2016 Fair value £(000)
Equities	2,545	1,502
Bonds	558	355
Cash	174	104
Property	209	125
Total market value of assets	3,486	2,086

Actual return on scheme assets - gain/(loss)	241	(338)
--	-----	-------

Amounts recognised in the statement of financial activities

	2017 £(000)	2016 £(000)
Current service cost (net of employee contributions)	360	142
Net interest cost	26	23

Changes in the present value of defined benefit obligations

	2017 £(000)	2016 £(000)
Obligations at 1 September 2016	(3,187)	(2,210)
Obligations acquired on transfer in	(1,610)	-
Current service cost	(360)	(142)
Interest cost	(74)	(85)
Employee contributions	(59)	(31)
Actuarial gain	194	(721)
Benefits paid	31	2
At 31 August 2017	(5,065)	(3,187)

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

18 Pensions and similar obligations

Changes in the fair value of the academy trust's share of scheme assets

	2017 £(000)	2016 £(000)
Assets at 1 September 2016	2,086	1,615
Assets acquired on transfer in	934	-
Interest income	48	62
Return on plan assets (excluding amounts included in net interest): Actuarial gain	193	276
Employer contributions	197	104
Employee contributions	59	31
Benefits paid	(31)	(2)
Plan introductions, benefit changes, curtailments and settlements	-	-
At 31 August 2017	<u>3,486</u>	<u>2086</u>

Parliament has agreed, at the request of the Secretary of State for Education, to 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.

19 Reconciliation of net income/(expenditure) to net cash flows from operating activities

	2017 £(000)	2016 £(000)
Net income/(expenditure) for the reporting period	5,431	(88)
Adjusted for:		
Net deficit/(surplus) transferred on conversion	(5,603)	-
Capital grants from DfE/ESFA and other capital income	(82)	(249)
Investment income	-	(1)
Defined benefit pension costs less contributions payable	164	38
Defined benefit pension net finance cost/(income)	26	23
Depreciation of tangible fixed assets	160	122
(Increase)/decrease in debtors	(299)	712
Increase/(decrease) in creditors	286	(312)
Stocks, debtors and creditors transferred on conversion	23	-
Net cash provided by operating activities	<u>106</u>	<u>245</u>

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

20 Commitments under operating leases

At 31 August 2017 the total future minimum lease payments under non-cancellable operating leases were as follows:

	2017 £(000)	2016 £(000)
Amounts due within one year	4	9
Amounts due in two and five years	21	39
	<u>25</u>	<u>48</u>

21 Capital commitments

There are no capital commitments at 31 August 2017.

22 Related party transactions

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

M Appleyard, husband of J Appleyard (chief executive officer), provided consultancy services to the trust. The total invoiced by M Appleyard to the trust in the year to 31 August 2017 was £3,626 (2016: £11,991). These services are provided to the trust at cost and assurances have been made by M Appleyard to this effect.

During the year the trust received a donation of £nil (2016: £1,000) from The Lauriston Trust. D Vanstone is a Trustee of both The Lauriston Trust and The Dunham Trust.

During the year the trust was invoiced £1,050 by Bright Futures Educational Trust. J Appleyard is chief executive officer of The Dunham Trust and a Trustee of Bright Futures Educational Trust.

In entering into these transactions the academy trust has complied with the Academies Financial Handbook 2016.

23 Members' liability

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

THE DUNHAM TRUST

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2017

24 Transfer of an existing academy into the trust

On 1 July 2017 Lime Tree Primary School transferred to The Dunham Trust from The Enquire Learning Trust. All the operations and assets and liabilities were transferred to The Dunham Trust from The Enquire Learning Trust for £nil consideration.

The assets and liabilities transferred were valued at their fair values and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the statement of financial activities as transfer from The Enquire Learning Trust.

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

Academy	Location	Date of transfer
Lime Tree Primary School	Budworth Road, Sale	1 July 2017

Net assets transferred:	2017 £(000)
Leasehold land and buildings	5,978
Other tangible fixed assets	94
Cash	184
LGPS pension surplus/(deficit)	(676)
Debtors	136
Creditors	(113)
	<u>5,603</u>

	Unrestricted Funds £(000)	Restricted funds: General £(000)	Fixed asset £(000)	Total 2017 £(000)
Funds surplus/(deficit) transferred:				
Fixed assets funds	-	-	6,072	6,072
Restricted funds	-	71	-	71
LGPS pension funds	-	(676)	-	(676)
Other funds	136	-	-	136
	<u>136</u>	<u>(605)</u>	<u>6,072</u>	<u>5,603</u>

Transfer of the title of the land and buildings at Lime Tree Primary School, Budworth Road, Sale, M33 2RP, occurred on 1st July 2017 from The Enquire Learning Trust to The Dunham Trust.