

Registered number: 08156955

AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

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 **Bishop Fleming**
Chartered Accountants

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS MEMBERS/ TRUSTEES
AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Members Mrs D C Easter
Mr P O'Brien
Mr W T Hermon

Trustees Mrs D C Easter¹
Mr P O'Brien²
Mr W T Hermon^{1,2}
Mrs S Chapman²
Mr A J Jackson²
Mrs A Jefferies
Mrs A Nicholson (resigned 22 July 2015)¹
Mrs C Paul²
Mr P Smith^{1,2}
Mr G Barribal (appointed 2 December 2015)^{1,2}

¹ Resources & Staffing Committee (incorporating Audit Committee)

² School Improvement & Strategic Development Committee

**Company registered
number** 08156955

**Principal and registered
office** Roydon Road
Launceston
Cornwall
PL15 8HL

Company secretary Mrs H Hawken

Accounting officer Mr W T Hermon

**Senior management
team** Mr W Hermon, Executive Head teacher
Mrs M Basford, School Business Manager
Ms T Mills, Head of School (to 31st August 2015)
Mr A Terry, Head of School
Miss D Taylor, Head of School (from 1st September 2015)
Mrs C Green, Academy Improvement Officer

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

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2015. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 2 primary academies in Launceston. Its academies have a combined pupil capacity of 430 and had a roll of 411 in the school census on 1 October 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

The Trustees of An Daras Multi Academy Trust are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

Members' liability

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

Trustees' Indemnities

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

TRUSTEES

Method of recruitment and appointment or election of Trustees

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 6 Trustees who are appointed by members.
- up to 2 Parent Trustees who are elected by Parents of registered pupils at the Academy Trust, unless the Local Governing Bodies include two Parent Governors.
- up to 2 staff Trustees appointed by the Board of Trustees.
- up to 2 Co-opted Trustees who are appointed by Board of Trustees.
- the Executive Head teacher who is treated for all purposes as being an ex officio Trustee.

Trustees are appointed for a four year period, except that this time limit does not apply to the Executive Head teacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy Trust's development.

Policies and Procedures adopted for the Induction and Training of Trustees

The Academy Trust has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would

**AN DARAS MULTI ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

always include a tour of Academy Trust schools and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Induction for new trustees tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

Organisational Structure

The Board of Trustees (Directors) normally meets once each term. The Board establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees, including a Local Governing Body committee for each school for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 4 committees as follows;

- Resources and Staffing Committee - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, premises management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- School Improvement and Strategic Development Committee - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues. It also considers all matters relating to admissions.
- Local Governing Advisory Committee (St Stephens Community Academy) – this meets once a term to monitor, evaluate and review the St Stephens policy, practice and performance in relation to curriculum planning, target setting and assessment, examinations and parent and pupil welfare.
- Local Governing Advisory Committee (Windmill Hill Academy) - this meets once a term to monitor, evaluate and review Windmill Hill policy, practice and performance in relation to curriculum planning, target setting and assessment, examinations and parent and pupil welfare.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the Executive Head teacher and Clerk to the Trustees, to approve the Annual Trust Improvement Plan and budget.

The Trustees are responsible for setting general policy, adopting an Annual Improvement Plan and cyclical governance plan and budget, approving the statutory accounts, monitoring the Academy Trust by the use of budgets and other data, and making major decisions about the direction of the Academy Trust, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy Trust to the Executive Head teacher and Senior Academy Leadership Team (SALT). The SALT comprises the Executive Head teacher, Academy Improvement Officer, Heads of Schools and the Academy Business Manager. The SALT implement the policies laid down by the Trustees and report back to them on performance. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Executive Head teacher, Academy Business Manager and Committees are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Executive Head teacher is responsible for the appointment of staff, though appointment panels for teaching posts which always include a Director and/or Local Governor.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The Executive Head teacher is the Accounting Officer.

Connected Organisations, including Related Party Relationships

The Academy Trust has strong collaborative links with St Catherine's Primary and Launceston College in Launceston which form part of the Launceston Academic Council.

There are no related parties which either control or significantly influence the decisions and operations of the An Daras Multi Academy Trust.

There is a formal Parent Teacher Association associated with St Stephens Community Academy and with Windmill Hill Academy.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Charitable Company is the operation of the An Daras Multi Academy Trust to provide high quality free education and care for pupils of different abilities which will allow them to secure life-long learning skills.

The aims of the Academy Trust during the year ended 31 August 2015 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all pupils.
- To provide a broad and balanced curriculum, including extra-curricular activities.
- To develop pupils as more effective learners both for the present and the future.
- To develop the Academy sites so that it enables pupils to achieve their full potential.
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- To maximise the number of pupils who achieve/exceed age related standards in English and Maths by the end of Key Stage 2.
- To provide value for money for the funds expended.
- To develop greater coherence, clarity and effectiveness in school systems.
- To comply with all appropriate statutory and curriculum requirements.
- To develop the Academy's capacity to lead change, and be a lead in the community.
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

Key priorities for the year are contained in our Academy Trust Improvement Plan 15/16 which is available from the Academy Central Office at St Stephens. Improvement focuses identified for this year include:

Pupil Achievement and Standards:

- To ensure that writing standards continue to rise and progress accelerated so that there is an improving trend for all cohorts and groups (including vulnerable and most able) by sharing good practice and successes across the Academy Trust.
- To ensure that PE/Sport funding is having a sustainable impact on standards of teaching and results in higher levels of achievement for all pupils (including vulnerable and most able) by sharing CPD and good practice across the Academy Trust and developing opportunities for pupils to work together and compete against each other.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Learning and Teaching Impact:

- To continue to develop strategies that improve the accuracy and quality of ongoing assessment of learning impact by sharing good practice and building on current successes in both schools.
- To continue to develop the curriculum offer within both schools so local learning needs are met successfully
- To continue to develop moderation across the Academy Trust focussing on evidence of challenging learning in books and teaching that deepens and expands pupils knowledge within the new progression strands

Leadership Impact:

- To further develop tracking and accountability systems through the use of I-Track and sharing good practice so that systems can be developed that are accessible at Academy Trust level.
- To ensure that Academy schools are delivering a full and high quality SMSC curriculum provision and that the teaching and learning within this meets local needs and ensures good personal growth and development for all pupils.
- To continue to ensure that assessments of learning levels are fit for purpose and compatible with the new curriculum.
- To further improve teaching and learning standards by sharing observations and validating performance management decisions of standards of teaching and learning so that standards across the Academy Trust are consistently high

Learning Environment Improvement:

- To improve administration facilities so that efficiency is not impaired by the working environment and facilitates support the development of an effective Academy Trust administration team.

Public Benefit

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

The Academy Trust aims to advance for the public benefit, education in Launceston and the surrounding area. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and development schools, offering a broad and balanced curriculum.

The Academy Trust also provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the intent of improving the life of the said community.

STRATEGIC REPORT

Achievements and Performance

St Stephens Community Academy (SSCA) Pupil Achievement Results

Headline provisional achievement results at all Key Stages are affected by the inclusion of pupil data from pupils who attend the Area Resource Base class which caters for the education of ten pupils with severe and profound learning needs. Nevertheless attainment compares favourably with indicative 2015 national attainment average benchmarks where these are available. If 2015 national data is not yet available 2014 data has been included.

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**TRUSTEES' REPORT (continued)
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2015 Key Stage 1 Attainment Outcomes

Table A: SSCA KS1 Cohort (one ARB pupil included within the headline attainment below)

| A:Attainment Level | Reading | Writing | Maths | Science |
|---------------------------|------------------------------|----------------------------|------------------------------|------------------------------|
| L2+ | School: 89.7% Nat 15: 90% | School: 69% Nat 15: 86% | School: 89.7% Nat 15: 93% | School: 89.7% Nat 15: 91% |
| L3+ | School: 27.6% Nat 15: 31% | School: 17% Nat 15: 15% | School: 20.7% Nat 15: 25% | School: 17% Nat 15: 22% |

Table B: SSCA KS1 Cohort attainment with one ARB pupil de-aggregated (removed from the data set) was:

| B:Attainment Level | Reading | Writing | Maths | Science |
|---------------------------|----------------------------|------------------------------|----------------------------|------------------------------|
| L2+ | School: 93% Nat 15: 90% | School: 72.3% Nat 15: 86% | School: 93% Nat 15: 93% | School: 93% Nat 15: 91% |
| L3+ | School: 31% Nat 15: 31% | School: 20.5% Nat 15: 15% | School: 24% Nat 15: 25% | School: 20.5% Nat 15: 22% |

| 2015 Key Stage 2 Attainment and Progress Outcomes | Reading | GAPS | Writing | Maths | Combined L4b+ (R, W, M) |
|--|------------------------------|----------------------------|------------------------------|------------------------------|--------------------------------|
| Table C: SSCA KS2 Cohort attainment | | | | | |
| L4+ | School: 89.3% Nat 15: 90% | School: 79% Nat 15: 80% | School: 85.7% Nat 15: 87% | School: 89.3% Nat 15: 87% | School: 82.1% Nat 15: 69% |
| L5+ | School: 42.9% Nat 15: 48% | School: 54% Nat 15: 56% | School: 25% Nat 15: 36% | School: 25% Nat 15: 36% | |
| Progress | | | | | |
| 2+ NC levels | School: 92.9% Nat 15: 91% | | School: 100% Nat 15: 95% | School: 96.4% Nat 15: 90% | |
| 3+ NC levels | School: 32.1% Nat 14: 35% | | School: 25% Nat 14: 33% | School: 39.3% Nat 14: 35% | |

Windmill Hill Academy Pupil Achievement Results

2015 Key Stage 1 Attainment Outcomes

Table D: WHA KS1 Cohort attainment

| D :Attainment Level | Reading | Writing | Maths | Science |
|----------------------------|------------------------------|----------------------------|------------------------------|----------------------------|
| L2+ | School: 93.3% Nat 15: 90% | School: 80% Nat 15: 86% | School: 96.7% Nat 15: 93% | School: 93% Nat 15: 91% |
| L3+ | School: 33% Nat 15: 31% | School: 20% Nat 15: 15% | School: 30% Nat 15: 25% | School: 21% Nat 15: 22% |

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

2015 Key Stage 2 Attainment and Progress Outcomes

Table E: WHA KS2 Cohort attainment

| E:Attainment Level | Reading | GAPS | Writing | Maths | Combined L4b+ (R, W, M) |
|---------------------------|------------------------------|-----------------------------|------------------------------|------------------------------|--|
| L4+ | School: 92.6% Nat 15: 90% | School: 100% Nat 15: 80% | School: 85.2% Nat 15: 87% | School: 96.3% Nat 14: 87% | School: 70.4% Nat 15: 69% |
| L5+ | School: 59.3% Nat 15: 48% | School: 76% Nat 15: 56% | School: 51.9% Nat 15: 36% | School: 51.9% Nat 15: 46% | |
| Progress 2+ NC Levels | School: 100% Nat 15: 91% | | School: 96% Nat 15: 95% | School: 96% Nat 15: 90% | |
| 3+ NC levels | School: 44% Nat 14: 35% | | School: 64% Nat 14: 33% | School: 44% Nat 14: 35% | |

To ensure that standards are continually assessed, the Academy Trust operates a programme of learning observations, which are undertaken by the Academy Senior Leadership Team.

Secure pupil standards against national benchmarks by the end of Key Stage 2 at both academy schools indicates that the Academy Trust has successfully delivered its stated aims and objectives.

Continuing professional development for staff has been very successful with 2 teaching staff completing accredited senior leadership training through the National College of School Leadership. 1 member of staff has started the National Professional Qualification for Headship programme. A reorganisation of staffing has seen the appointment of an Academy Trust special needs co-ordinator and an academy behaviour support leader.

The Academy Trust has established close links with St Catherine's Primary School in Launceston. The Academy Trust is continuing to work in effective partnership with the school.

The Academy Trust has also successfully completed the acquisition of two minibuses to support the learning experiences of pupils across member schools.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the period under review, £27,977 of GAG was carried forward representing 1.9% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2015 were 411 (208 at St Stephens Community Academy and 203 Windmill Hill Academy), an increase of 13 over 2014 (192 at St Stephens Community Academy and 206 Windmill Hill Academy). It is anticipated that this number will continue to rise.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2015 this was 96%, compared to 95% in 2014.

| | Target | Actual |
|------------------------|---------------|---------------|
| GAG carry forward % | Budget 4.25% | 1.9% |
| Pupil to teacher ratio | Budget 4.11% | 5.1% |

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

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 Going concern policy.

FINANCIAL REVIEW

Financial Review

Most of the Academy Trust's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2015 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

At 31 August 2015 the net book value of fixed assets was £3,397,490 and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The freehold for land, buildings and other assets were transferred to the Academy Trust upon conversion. Land and buildings at St Stephens Community Academy were professionally valued on 16th May 2014 at £1,547,000. Land and buildings at Windmill Hill Academy were professionally valued on 23rd May 2014 at £1,829,000. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The balance of the former individual school's budget share (£82,982 for St Stephens & £117,275 for Windmill Hill) was transferred across on conversion and is shown as Unrestricted Funds.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 25 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Pecuniary Interest, Charges and Lettings, Asset Management and Insurance.

Reserves Policy

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

The Trustees have determined that the appropriate level of free reserves should be approximately £115,000. 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. Total reserves of the academy amount to £33,940, although this includes £54,775 of non GAG restricted funds and the pension deficit of (£329,000). The remaining £308,165 (representing £280,188 unrestricted funds and £27,977 unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents approximately 2 months of normal recurring expenditure.

The Trustees have reviewed the future plans of the Academy Trust and have set designated reserves as follows:

- £20,000 has been set aside for the possible contribution towards Academy Trust central office facilities.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the

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**TRUSTEES' REPORT (continued)
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pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income, whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves of the Academy Trust.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses will be placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. The Investment policy authorises longer term investment of funds in blocks of £50,000 following due diligence. Day to day management of the surplus funds is delegated to the Executive Head teacher and Scholl Business Manager within strict guidelines approved by the Board of Trustees.

PRINCIPAL RISKS AND UNCERTAINTIES

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy Trust are as follows:

Financial - the Academy Trust has considerable reliance on continued Government funding through the EFA. In the last year 95.5% of the Academy Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline. The Academy Trust places a high priority on ensuring a dedicated Child Protection and Attendance Officer is in post.

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

The Academy Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to its finances, teaching, facilities, potential future growth in PAN, and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. The Academy Trust has made particular efforts to streamline management systems through a central operations team. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy Trust pupil numbers on roll are healthy, risks to revenue funding from a falling roll remain small. However, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term. They review performance against budgets and

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

overall expenditure by means of regular update reports at all Board and Resources and Staffing Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

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

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 25 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The Academy Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy Trust will continue to work with partner schools to improve the educational opportunities for pupils in the wider community. As part of this commitment to local partnership working the Academy Trust has expansion and business growth plans in operation. Conditional consent has been received from the DfE for the Federation of North Petherwin and Werrington schools to join the MAT by Jan 1st 2016. Conditional consent has been received from the Truro Diocesan Board of Education for St Catherine's VA Primary School to join the MAT at some point in the Spring Term 2016.

Full details of our plans for the future are given in our Academy Improvement Plan and Academy Growth Plan, which is available on our website or from the Clerk to the Trustees.

AUDITORS

In so far as the Trustees are aware:

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

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

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as company directors, on 16/12/15 and signed on the board's behalf by:



**Mr P O'Brien
Chair of Trustees**

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the Executive Head teacher, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between An Daras Multi Academy 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.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The board of trustees has formally met 4 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

| Trustee | Meetings attended | Out of a possible |
|-----------------|-------------------|-------------------|
| Mrs D C Easter | 3 | 3 |
| Mr P O'Brien | 3 | 3 |
| Mr W T Hermon | 3 | 3 |
| Mrs S Chapman | 2 | 2 |
| Mr A J Jackson | 2 | 3 |
| Mrs A Jefferies | 2 | 3 |
| Mrs A Nicholson | 2 | 3 |
| Mrs C Paul | 3 | 3 |
| Mr P Smith | 3 | 3 |
| Mr G Barribal | 2 | 3 |

There have been no major changes to the Board of Trustees within the year apart from A. Nicolson resigning in July 2015

Governance reviews:

- A short internal review of governance was completed by the Board of Trustees in the Summer Term 2015 to inform possible arrangements for when MAT expansion is completed. Directorships will remain as originally agreed on formation of the Trust. Changes to ADMAT members will be completed in the Autumn Term 16 in preparation for the anticipated MAT expansion.
- As part of the MAT expansion a further skills audit will be completed by individual Directors in the Autumn Term 2015. This will help inform an external review of governance agreed by the Directors to be completed by a third party provider in the Spring Term 16 to support effective governance arrangements within the expanded MAT.

The Resources and Staffing Committee is a sub-committee of the main board of trustees. Its purpose is to:

- To declare interests
- To provide guidance and assistance to the Executive Head teacher and Board of Directors in all matters relating to budgeting, finance, school premises and grounds, security, health and safety
- To agree financial procedures as required by audit or requested by accountants
- To prepare draft budget proposal for consideration by Board of Directors and consider benchmarking data
- To prepare and review financial, premises and staffing policies and policy statements, including consideration of long term planning and resources for approval by the Board of Directors
- To review financial delegation annually and report to the Board of Directors
- To provide best value statements
- To receive and, where appropriate, respond to periodic audit reports and ensure that certificates of audit are presented to the Board of Directors
- To consider any tenders/contracts provided within the constraints of the budget

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GOVERNANCE STATEMENT (continued)

- To receive any Local Governor Health and Safety reports and risk assessments reports and provide guidance and assistance to the Directors in ensuring that health and safety regulations are complied with.
- To review MAT staffing structures in consultation with LGAB and provide any reports requested by the Board of Directors
- To review and administer salary policies
- To review and oversee procedures for the appointment of staff
- To establish and review Performance Management procedures , including Executive Head teacher Performance Management, and agree any PRPP decisions

Attendance at meetings in the year was as follows:

| Trustee | Meetings attended | Out of a possible |
|-----------------|-------------------|-------------------|
| Mrs D C Easter | 4 | 4 |
| Mr W T Hermon | 4 | 4 |
| Mrs A Nicholson | 3 | 4 |
| Mr P Smith | 2 | 4 |
| Mr G Barriball | 3 | 3 |

REVIEW OF VALUE FOR MONEY

As accounting officer, the Executive Head teacher has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Restructuring teaching and support staff roles and responsibilities across the Trust schools to improve efficiency and reduce duplication of tasks.
- Ensured that value for money is delivered because good quality teaching and learning is in place. Standards when benchmarked with national average outcomes are good across both Trust schools.
- Used the opportunities for economies of scale to negotiate effective and more cost efficient services across the MAT.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims 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 An Daras Multi Academy Trust for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 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

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

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

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Bishop Fleming LLP, the external auditors, to perform additional checks.

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

On an annual basis, the auditors report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

During the year Bishop Fleming performed one visit, which covered the full year since 1 September 2014, during which no significant issues were identified.

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

As accounting officer, the Executive Head teacher has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Resources and Staffing 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 16/12/15 and signed on its behalf, by:



Mr P O'Brien
Chair of Trustees



Mr W T Hermon
Accounting Officer

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of An Daras Multi Academy Trust I have considered my responsibility to notify the Academy Trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date. If any instances are identified after the date of this statement, these will be notified to the board of trustees and EFA.



**Mr W T Hermon
Accounting Officer**

Date: 16/12/15

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees (who act as governors of An Daras Multi Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

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

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

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

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

Approved by order of the members of the board of trustees and signed on its behalf by:



**Mr P O'Brien
Chair of Trustees**

Date: 16/12/15

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AN DARAS MULTI ACADEMY TRUST

We have audited the financial statements of An Daras Multi Academy Trust for the year ended 31 August 2015 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Academy Trust's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AN DARAS MULTI ACADEMY TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Pamela Tuckett FCA DChA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN
17 December 2015

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO AN DARAS
MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 17 January 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by An Daras Multi Academy Trust during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF AN DARAS MULTI ACADEMY TRUST'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of An Daras Multi Academy Trust's funding agreement with the Secretary of State for Education dated 19 December 2013, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

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

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

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

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

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

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

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Pamela Tuckett FCA DChA (Reporting Accountant)

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

17 December 2015

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015**

| | | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Restricted fixed asset funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|--|------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| | Note | | | | | |
| INCOMING RESOURCES | | | | | | |
| Incoming resources from generated funds: | | | | | | |
| Transfer from Local Authority on conversion | 2 | - | - | - | - | 126,083 |
| Other voluntary income | 2 | 3,780 | 7,517 | - | 11,297 | 9,688 |
| Activities for generating funds | 3 | 36,398 | - | - | 36,398 | 12,100 |
| Investment income | 4 | 702 | - | - | 702 | 281 |
| Incoming resources from charitable activities | 5 | 80,269 | 1,881,582 | 28,090 | 1,989,941 | 1,332,544 |
| TOTAL INCOMING RESOURCES | | 121,149 | 1,889,099 | 28,090 | 2,038,338 | 1,480,696 |
| RESOURCES EXPENDED | | | | | | |
| Costs of generating funds: | | | | | | |
| Fundraising expenses and other costs | | 21,033 | - | - | 21,033 | 8,170 |
| Charitable activities | | 49,394 | 1,888,156 | 86,859 | 2,024,409 | 1,313,339 |
| Governance costs | 8 | - | 11,282 | - | 11,282 | 15,046 |
| TOTAL RESOURCES EXPENDED | 9 | 70,427 | 1,899,438 | 86,859 | 2,056,724 | 1,336,555 |
| NET INCOMING / (OUTGOING) RESOURCES BEFORE REVALUATIONS | | 50,722 | (10,339) | (58,769) | (18,386) | 144,141 |
| Actuarial gains and losses on defined benefit pension schemes | | - | (17,000) | - | (17,000) | (82,000) |
| NET MOVEMENT IN FUNDS FOR THE YEAR | | 50,722 | (27,339) | (58,769) | (35,386) | 62,141 |
| Total funds at 1 September 2014 | | 229,466 | (218,909) | 3,467,262 | 3,477,819 | 3,415,678 |
| TOTAL FUNDS AT 31 AUGUST 2015 | | 280,188 | (246,248) | 3,408,493 | 3,442,433 | 3,477,819 |

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 24 to 43 form part of these financial statements.

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 08156955**

**BALANCE SHEET
AS AT 31 AUGUST 2015**

| | Note | £ | 2015 £ | £ | 2014 £ |
|---|------|------------------|------------------|------------------|------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 16 | | 3,397,490 | | 3,454,852 |
| CURRENT ASSETS | | | | | |
| Debtors | 17 | 94,617 | | 91,066 | |
| Cash at bank and in hand | | 422,652 | | 340,380 | |
| | | 517,269 | | 431,446 | |
| CREDITORS: amounts falling due within one year | 18 | (143,326) | | (134,479) | |
| NET CURRENT ASSETS | | | 373,943 | | 296,967 |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | 3,771,433 | | 3,751,819 |
| Defined benefit pension scheme liability | 25 | | (329,000) | | (274,000) |
| NET ASSETS INCLUDING PENSION SCHEME LIABILITY | | | 3,442,433 | | 3,477,819 |
| FUNDS OF THE ACADEMY | | | | | |
| Restricted funds: | | | | | |
| General funds | 19 | 82,752 | | 55,091 | |
| Fixed asset funds | 19 | 3,408,493 | | 3,467,262 | |
| Restricted funds excluding pension liability | | 3,491,245 | | 3,522,353 | |
| Pension reserve | | (329,000) | | (274,000) | |
| Total restricted funds | | | 3,162,245 | | 3,248,353 |
| Unrestricted funds | 19 | | 280,188 | | 229,466 |
| TOTAL FUNDS | | | 3,442,433 | | 3,477,819 |

The financial statements were approved by the Trustees, and authorised for issue, on 16/12/15 and are signed on their behalf, by:



**Mr P O'Brien
Chair of Trustees**

The notes on pages 24 to 43 form part of these financial statements.

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

| | Note | 31 August 2015 £ | 31 August 2014 £ |
|--|-------------|---------------------------------|---------------------------------|
| Net cash flow from operating activities | 21 | 82,977 | 140,824 |
| Returns on investments and servicing of finance | 22 | 702 | 281 |
| Capital expenditure and financial investment | 22 | (1,407) | (2,722) |
| Cash transferred on conversion to an academy trust | | - | 201,997 |
| INCREASE IN CASH IN THE YEAR | | 82,272 | 340,380 |

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015**

| | 31 August 2015 £ | 31 August 2014 £ |
|--|---------------------------------|---------------------------------|
| Increase in cash in the year | 82,272 | 340,380 |
| MOVEMENT IN NET FUNDS IN THE YEAR | 82,272 | 340,380 |
| Net funds at 1 September | 340,380 | - |
| NET FUNDS AT 31 AUGUST | 422,652 | 340,380 |

The notes on pages 24 to 43 form part of these financial statements.

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 FUND ACCOUNTING

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by funders where the asset acquired or created is held for a specific purpose.

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

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

1.3 INCOMING RESOURCES

All incoming resources are included in the Statement of financial activities when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

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

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

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

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

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

1.4 RESOURCES EXPENDED

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

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

Charitable activities are costs incurred in the Academy Trust's educational operations.

Governance costs include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees conclude that it is appropriate to prepare accounts on the going concern basis for the period ended 31 August 2015.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

| | |
|-----------------------|---------------------|
| Freehold property | - 2% straight line |
| Fixtures and fittings | - 20% straight line |
| Computer equipment | - 33% straight line |

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.7 OPERATING LEASES

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

1.8 TAXATION

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

1.9 PENSIONS

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 quinquennial valuations using a prospective benefit method. As stated in note 25, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

2. VOLUNTARY INCOME

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|---|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Transfer from Local Authority on conversion | - | - | - | 126,083 |
| Donations | 3,780 | 7,517 | 11,297 | 9,688 |
| Voluntary income | 3,780 | 7,517 | 11,297 | 135,771 |

3. ACTIVITIES FOR GENERATING FUNDS

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|---------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Lettings | 5,170 | - | 5,170 | 50 |
| Uniforms | 3,677 | - | 3,677 | 1,972 |
| Fees received | 16,564 | - | 16,564 | 7,310 |
| Other | 10,987 | - | 10,987 | 2,768 |
| | 36,398 | - | 36,398 | 12,100 |

4. INVESTMENT INCOME

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|---------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| Bank interest | 702 | - | 702 | 281 |

AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|-------------------------------------|------------------------------------|----------------------------------|-----------------------------|-----------------------------|
| DfE/EFA grants | | | | |
| Capital Grants | - | 28,090 | 28,090 | 12,410 |
| General Annual Grant | - | 1,508,630 | 1,508,630 | 984,633 |
| Start up Grants | - | - | - | 50,000 |
| Other DfE/EFA grants | 42,609 | 206,777 | 249,386 | 117,616 |
| | <u>42,609</u> | <u>1,743,497</u> | <u>1,786,106</u> | <u>1,164,659</u> |
| Other Government grants | | | | |
| High Needs | - | 157,691 | 157,691 | 115,323 |
| Other government grants non capital | - | 3,000 | 3,000 | 12,809 |
| | <u>-</u> | <u>160,691</u> | <u>160,691</u> | <u>128,132</u> |
| Other funding | | | | |
| Other | 37,660 | 5,484 | 43,144 | 39,753 |
| | <u>37,660</u> | <u>5,484</u> | <u>43,144</u> | <u>39,753</u> |
| | <u>80,269</u> | <u>1,909,672</u> | <u>1,989,941</u> | <u>1,332,544</u> |

6. DIRECT COSTS

| | Total 2015 £ | Total 2014 £ |
|-----------------------|--------------------|--------------------|
| Pension finance costs | 4,000 | 3,000 |
| Educational supplies | 107,444 | 41,151 |
| Staff development | 12,611 | 11,103 |
| Other costs | 35,683 | 17,886 |
| Supply teachers | 14,433 | 14,017 |
| Technology costs | 4,369 | 6,030 |
| Wages and salaries | 1,042,834 | 677,220 |
| National insurance | 62,738 | 39,651 |
| Pension cost | 188,401 | 120,572 |
| Depreciation | 79,041 | 74,558 |
| | <u>1,551,554</u> | <u>1,005,188</u> |

AN DARAS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

7. SUPPORT COSTS

| | Total 2015 £ | Total 2014 £ |
|---------------------------------------|-----------------------------|-----------------------------|
| Pension finance costs | 1,000 | - |
| Recruitment and support | 1,172 | 701 |
| Maintenance of premises and equipment | 46,718 | 17,537 |
| Cleaning | 55,465 | 40,835 |
| Rent and rates | 14,492 | 10,597 |
| Energy costs | 17,123 | 11,934 |
| Insurance | 32,142 | 24,359 |
| Security and transport | 10,871 | 7,724 |
| Catering | 70,785 | 26,490 |
| Technology costs | 23,710 | 34,441 |
| Office overheads | 21,787 | 22,611 |
| Legal and professional | 34,530 | 19,889 |
| Bank interest and charges | 126 | 96 |
| Wages and salaries | 101,782 | 64,870 |
| National insurance | 4,171 | 2,721 |
| Pension cost | 29,163 | 15,660 |
| Depreciation | 7,818 | 7,686 |
| | 472,855 | 308,151 |

8. GOVERNANCE COSTS

| | Total funds 2015 £ | Total funds 2014 £ |
|---------------------------|---------------------------------------|---------------------------------------|
| Auditors' remuneration | 6,950 | 6,950 |
| Auditors' non audit costs | 3,239 | 3,527 |
| Legal and Professional | 500 | 4,494 |
| Other costs | 256 | 75 |
| Wages and salaries | 296 | - |
| National insurance | 41 | - |
| | 11,282 | 15,046 |

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NOTES TO THE FINANCIAL STATEMENTS
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9. RESOURCES EXPENDED

| | Staff costs | Non Pay Expenditure | | Total | Total |
|----------------------------------|------------------|---------------------|----------------|------------------|------------------|
| | 2015 | Premises | Other | 2015 | 2014 |
| | £ | 2015 | 2015 | £ | £ |
| | | £ | £ | | |
| Costs of generating funds | 12,319 | - | 8,714 | 21,033 | 8,170 |
| COSTS OF GENERATING FUNDS | 12,319 | - | 8,714 | 21,033 | 8,170 |
| Direct costs | 1,293,973 | 41,516 | 216,065 | 1,551,554 | 1,005,188 |
| Support costs | 135,116 | 148,775 | 188,964 | 472,855 | 308,151 |
| CHARITABLE ACTIVITIES | 1,429,089 | 190,291 | 405,029 | 2,024,409 | 1,313,339 |
| GOVERNANCE | 337 | - | 10,945 | 11,282 | 15,046 |
| | 1,441,745 | 190,291 | 424,688 | 2,056,724 | 1,336,555 |

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

| | 31 August 2015 £ | 31 August 2014 £ |
|--|------------------------|------------------------|
| Depreciation of tangible fixed assets: | | |
| - owned by the charity | 86,859 | 82,244 |
| Auditors' remuneration | 6,950 | 6,950 |
| Auditors' remuneration - non-audit | 3,239 | 3,527 |
| Operating lease rentals: | | |
| - other operating leases | 4,318 | 4,434 |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

11. STAFF

a. Staff costs

Staff costs were as follows:

| | 31 August 2015 | 31 August 2014 |
|------------------------------|---------------------------|---------------------------|
| | £ | £ |
| Wages and salaries | 1,140,265 | 732,375 |
| Social security costs | 67,834 | 42,746 |
| Pension costs ²⁵⁾ | 219,317 | 137,114 |
| | 1,427,416 | 912,235 |
| Supply teacher costs | 14,329 | 14,017 |
| | 1,441,745 | 926,252 |

b. Staff numbers

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

| | 31 August 2015 | 31 August 2014 |
|-----------------------------|---------------------------|---------------------------|
| | No. | No. |
| Teachers | 21 | 21 |
| Educational Support | 20 | 18 |
| Administration and Clerical | 3 | 2 |
| Management | 1 | 1 |
| | 45 | 42 |

c. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

| | 31 August 2015 | 31 August 2014 |
|-------------------------------|---------------------------|---------------------------|
| | No. | No. |
| In the band £70,001 - £80,000 | 1 | 1 |

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for this member amounted to £8,602 (2014: £5,678).

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

12. CENTRAL SERVICES

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

- Finance and administration
- Insurance

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

The costs of provision of central services is recharged to the academies based upon pupil numbers.

The actual amounts charged during the year were as follows:

| | 31 August 2015 £ |
|-------------------------------|---------------------------------|
| St Stephens Community Academy | 76,046 |
| Windmill Hill Academy | 81,953 |
| Total | <u>157,999</u> |

13. TRUSTEES' REMUNERATION AND EXPENSES

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration in the period was as follows:

W Hermon: Remuneration :£60,000 - £65,000 (2014: (£40,000 - £45,000), employers pension £5,000 - £10,000 (2014: £ 5,000 - £10,000), K Clark: Remuneration £10,000 - £15,000 (2014: (£10,000 - £15,000), Employers pension £0 - £5,000 (2014: £0 - £5,000), A Basset: Remuneration £30,000 - £35,000 (2014: (£20,000 - £25,000), Employers pension £5,000 - £10,000 (2014: £0 - £5,000) and C Paul: Remuneration £5,000 - £10,000 (2014: (£0 - £5,000), Employers pension £0 - £5,000 (2014: £0 - £5,000).

During the year retirement benefits were accruing to 1 Trustee (2014: 1) in respect of defined benefit pension schemes.

During the year, no Trustees received any benefits in kind (2014: £NIL).

During the year ended 31 August 2015, expenses totalling £256 (2014: £75) were reimbursed to 1 Trustee (2014: 1).

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £1,083 (2014: £197). The cost of this insurance is included in the total insurance cost.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

15. OTHER FINANCE INCOME

| | 31 August 2015 £ | 31 August 2014 £ |
|--|---------------------------------|------------------------|
| Expected return on pension scheme assets | 26,000 | 15,000 |
| Interest on pension scheme liabilities | (31,000) | (18,000) |
| | <u>(5,000)</u> | <u>(3,000)</u> |

16. TANGIBLE FIXED ASSETS

| | Freehold property £ | Fixtures and fittings £ | Computer equipment £ | Total £ |
|-----------------------|---------------------------|-------------------------------|----------------------------|-------------------------|
| COST | | | | |
| At 1 September 2014 | 3,416,878 | 38,957 | 81,261 | 3,537,096 |
| Additions | 10,239 | 458 | 18,800 | 29,497 |
| At 31 August 2015 | <u>3,427,117</u> | <u>39,415</u> | <u>100,061</u> | <u>3,566,593</u> |
| DEPRECIATION | | | | |
| At 1 September 2014 | 45,418 | 9,739 | 27,087 | 82,244 |
| Charge for the year | 45,623 | 7,882 | 33,354 | 86,859 |
| At 31 August 2015 | <u>91,041</u> | <u>17,621</u> | <u>60,441</u> | <u>169,103</u> |
| NET BOOK VALUE | | | | |
| At 31 August 2015 | <u>3,336,076</u> | <u>21,794</u> | <u>39,620</u> | <u>3,397,490</u> |
| At 31 August 2014 | <u>3,371,460</u> | <u>29,218</u> | <u>54,174</u> | <u>3,454,852</u> |

Included in land and buildings is freehold land at valuation of £1,146,000 which is not depreciated.

17. DEBTORS

| | 2015 £ | 2014 £ |
|--------------------------------|----------------------|---------------|
| VAT recoverable | 18,935 | 42,954 |
| Prepayments and accrued income | 75,682 | 48,112 |
| | <u>94,617</u> | <u>91,066</u> |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

**18. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

| | 2015 £ | 2014 £ |
|------------------------------------|----------------|----------------|
| Trade creditors | 52,957 | 32,659 |
| Other taxation and social security | 23,088 | 20,143 |
| Other creditors | 35,798 | 22,989 |
| Accruals and deferred income | 31,483 | 58,688 |
| | <u>143,326</u> | <u>134,479</u> |

DEFERRED INCOME

| | £ |
|--------------------------------------|-----------------|
| Deferred income at 1 September 2014 | 29,054 |
| Resources deferred during the year | 25,033 |
| Amounts released from previous years | <u>(29,054)</u> |
| Deferred income at 31 August 2015 | <u>25,033</u> |

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals grants.

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NOTES TO THE FINANCIAL STATEMENTS
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19. STATEMENT OF FUNDS

| | Brought Forward £ | Incoming resources £ | Resources Expended £ | Transfers in/out £ | Gains/ (Losses) £ | Carried Forward £ |
|--|-------------------------|----------------------------|----------------------------|--------------------------|-------------------------|-------------------------|
| DESIGNATED FUNDS | | | | | | |
| Central office facilities | - | - | - | 20,000 | - | 20,000 |
| GENERAL FUNDS | | | | | | |
| General funds | 229,466 | 121,149 | (70,427) | (20,000) | - | 260,188 |
| Total Unrestricted funds | 229,466 | 121,149 | (70,427) | - | - | 280,188 |
| RESTRICTED FUNDS | | | | | | |
| General Annual Grant (GAG) | 12,629 | 1,508,630 | (1,493,282) | - | - | 27,977 |
| Start up Grant | 1,251 | - | (1,251) | - | - | - |
| Higher Needs | - | 157,691 | (133,596) | - | - | 24,095 |
| Pupil Premium | 29,700 | 189,052 | (188,072) | - | - | 30,680 |
| Sports and PE Grant | 1,067 | 17,725 | (18,792) | - | - | - |
| Other restricted funds | 10,444 | 16,001 | (26,445) | - | - | - |
| Pension reserve | (274,000) | - | (38,000) | - | (17,000) | (329,000) |
| | (218,909) | 1,889,099 | (1,899,438) | - | (17,000) | (246,248) |
| RESTRICTED FIXED ASSET FUNDS | | | | | | |
| | Brought Forward £ | Incoming resources £ | Resources Expended £ | Transfers in/out £ | Gains/ (Losses) £ | Carried Forward £ |
| Fixed assets transferred on conversion | 3,444,650 | - | (75,435) | - | - | 3,369,215 |
| Fixed assets purchased from GAG and other restricted funds | 10,202 | - | (9,523) | - | - | 679 |
| DfE/EFA Capital grants | 12,410 | 12,590 | (1,605) | - | - | 23,395 |
| ACMF | - | 15,500 | (296) | - | - | 15,204 |
| | 3,467,262 | 28,090 | (86,859) | - | - | 3,408,493 |
| Total restricted funds | 3,248,353 | 1,917,189 | (1,986,297) | - | (17,000) | 3,162,245 |
| Total of funds | 3,477,819 | 2,038,338 | (2,056,724) | - | (17,000) | 3,442,433 |

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

19. STATEMENT OF FUNDS (continued)

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

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

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

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

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

Sports and PE Grant - The PE and sport premium is designed to help primary schools improve the quality of the PE and sport activities they offer the pupils.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension scheme.

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

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

ACMF - Grants received for capital works. The balance at the year end represents the NBV of assets and unspent grant amounts.

Central office facilities - The trustees have reviewed the future plans of the Academy Trust and have set aside funds for the possible contribution towards Academy Trust central office facilities.

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 2015.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2015 were allocated as follows:

| | Total £ |
|---|------------|
| St Stephens Community Academy | 190,109 |
| Windmill Hill Academy | 172,831 |
| | <hr/> |
| Total before fixed asset fund and pension reserve | 362,940 |
| Restricted fixed asset fund | 3,408,493 |
| Pension reserve | (329,000) |
| | <hr/> |
| Total | 3,442,433 |
| | <hr/> |

AN DARAS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

19. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

| | Teaching and educational support staff costs £ | Other support staff costs £ | Educational supplies £ | Other costs excluding depreciation £ | Total £ |
|-------------------------------|---|--------------------------------------|------------------------------|---|------------------|
| St Stephens Community Academy | 665,189 | 59,889 | 59,161 | 206,595 | 990,834 |
| Windmill Hill Academy | 602,792 | 80,546 | 18,109 | 239,584 | 941,031 |
| | <u>1,267,981</u> | <u>140,435</u> | <u>77,270</u> | <u>446,179</u> | <u>1,931,865</u> |

SUMMARY OF FUNDS

| | Brought Forward £ | Incoming resources £ | Resources Expended £ | Transfers in/out £ | Gains/ (Losses) £ | Carried Forward £ |
|---------------------------------|-------------------------|----------------------------|----------------------------|--------------------------|-------------------------|-------------------------|
| Designated funds | - | - | - | 20,000 | - | 20,000 |
| General funds | 229,466 | 121,149 | (70,427) | (20,000) | - | 260,188 |
| | <u>229,466</u> | <u>121,149</u> | <u>(70,427)</u> | <u>-</u> | <u>-</u> | <u>280,188</u> |
| Restricted funds | (218,909) | 1,889,099 | (1,899,438) | - | (17,000) | (246,248) |
| Restricted fixed asset funds | 3,467,262 | 28,090 | (86,859) | - | - | 3,408,493 |
| | <u>3,477,819</u> | <u>2,038,338</u> | <u>(2,056,724)</u> | <u>-</u> | <u>(17,000)</u> | <u>3,442,433</u> |

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

| | Unrestricted funds 2015 £ | Restricted funds 2015 £ | Restricted fixed asset funds 2015 £ | Total funds 2015 £ | Total funds 2014 £ |
|-------------------------------|------------------------------------|----------------------------------|---|-----------------------------|-----------------------------|
| Tangible fixed assets | - | - | 3,397,490 | 3,397,490 | 3,504,739 |
| Current assets | 280,188 | 226,078 | 11,003 | 517,269 | 431,446 |
| Creditors due within one year | - | (143,326) | - | (143,326) | (134,479) |
| Pension scheme liability | - | (329,000) | - | (329,000) | (274,000) |
| | <u>280,188</u> | <u>(246,248)</u> | <u>3,408,493</u> | <u>3,442,433</u> | <u>3,477,819</u> |

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. NET CASH FLOW FROM OPERATING ACTIVITIES

| | 31 August 2015 £ | 31 August 2014 £ |
|--|------------------------|------------------------|
| Net incoming resources before revaluations | (18,386) | 144,141 |
| Returns on investments and servicing of finance | (702) | (281) |
| Net assets transferred on conversion | - | (126,083) |
| Depreciation of tangible fixed assets | 86,859 | 82,244 |
| Capital grants from DfE | (28,090) | (12,410) |
| Increase in debtors | (3,551) | (91,066) |
| Increase in creditors | 8,847 | 133,279 |
| Defined benefit pension scheme adjustments | 38,000 | 11,000 |
| NET CASH INFLOW FROM OPERATING ACTIVITIES | 82,977 | 140,824 |

22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

| | 31 August 2015 £ | 31 August 2014 £ |
|---|---------------------------------|---------------------------------|
| RETURNS ON INVESTMENTS AND SERVICING OF FINANCE | | |
| Interest received | 702 | 281 |
| | 31 August 2015 £ | 31 August 2014 £ |
| CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT | | |
| Purchase of tangible fixed assets | (29,497) | (15,132) |
| Capital grants from DfE | 28,090 | 12,410 |
| NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT | (1,407) | (2,722) |

23. ANALYSIS OF CHANGES IN NET FUNDS

| | 1 September 2014 £ | Cash flow £ | Other non-cash changes £ | 31 August 2015 £ |
|---------------------------|-----------------------------|----------------|-----------------------------------|------------------------|
| Cash at bank and in hand: | 340,380 | 82,272 | - | 422,652 |
| NET FUNDS | 340,380 | 82,272 | - | 422,652 |

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**NOTES TO THE FINANCIAL STATEMENTS
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24. MEMBERS' LIABILITY

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

25. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Cornwall County 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 2004 and of the LGPS 31 March 2013.

Contributions amounting to £23,606 were payable to the scheme at 31 August 2015 (2014: 22,989) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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25. PENSION COMMITMENTS (continued)

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

The pension costs paid to TPS in the period amounted to £XXX (2014: £XXX).

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy Trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £115,000, of which employer's contributions totalled £91,000 and employees' contributions totalled £24,000. The agreed contribution rates for future years are 17.5% for employers and 5.5-7.5% for employees.

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

The amounts recognised in the Balance sheet are as follows:

| | 31 August 2015 | Period ended 31 August 2014 |
|-------------------------------------|---------------------------|--|
| | £ | £ |
| Present value of funded obligations | (943,000) | (755,000) |
| Fair value of scheme assets | 614,000 | 481,000 |
| Net liability | (329,000) | (274,000) |

The amounts recognised in the Statement of financial activities are as follows:

| | 31 August 2015 | Period ended 31 August 2014 |
|----------------------------------|---------------------------|--|
| | £ | £ |
| Current service cost | (124,000) | (62,000) |
| Interest on obligation | (31,000) | (18,000) |
| Expected return on scheme assets | 26,000 | 15,000 |
| Total | (129,000) | (65,000) |

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25. PENSION COMMITMENTS (continued)

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

| | 31 August 2015 £ | Period ended 31 August 2014 £ |
|--------------------------------------|---------------------------------|--|
| Opening defined benefit obligation | 755,000 | - |
| Current service cost | 124,000 | 62,000 |
| Interest cost | 31,000 | 18,000 |
| Contributions by scheme participants | 24,000 | 14,000 |
| Actuarial Losses | 9,000 | 100,000 |
| Liability transferred on conversion | - | 561,000 |
| | <u>943,000</u> | <u>755,000</u> |
| Closing defined benefit obligation | <u>943,000</u> | <u>755,000</u> |

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

| | 31 August 2015 £ | Period ended 31 August 2014 £ |
|-------------------------------------|---------------------------------|--|
| Opening fair value of scheme assets | 481,000 | - |
| Expected return on assets | 26,000 | 15,000 |
| Actuarial gains and (losses) | (8,000) | 18,000 |
| Contributions by employer | 91,000 | 54,000 |
| Contributions by employees | 24,000 | 14,000 |
| Asset transferred on conversion | - | 380,000 |
| | <u>614,000</u> | <u>481,000</u> |
| | <u>614,000</u> | <u>481,000</u> |

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £(99,000) (2014: £(82,000)).

The Academy Trust expects to contribute £91,000 to its Defined benefit pension scheme in 2016.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

| | 2015 | 2014 |
|----------|-------------|-------------|
| Equities | 41.00 % | 53.00 % |
| Bonds | 50.00 % | 40.00 % |
| Property | 7.00 % | 6.00 % |
| Cash | 2.00 % | 1.00 % |

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

| | 2015 | 2014 |
|--|-------------|-------------|
| Discount rate for scheme liabilities | 3.70 % | 3.70 % |
| Expected return on scheme assets at 31 August | 3.70 % | 4.40 % |
| Rate of increase in salaries | 4.50 % | 4.40 % |
| Rate of increase for pensions in payment / inflation | 2.60 % | 2.60 % |

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25. PENSION COMMITMENTS (continued)

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

| | 2015 | 2014 |
|----------------------|------|------|
| Retiring today | | |
| Males | 22.2 | 22.4 |
| Females | 24.4 | 24.4 |
| Retiring in 20 years | | |
| Males | 24.4 | 24.4 |
| Females | 26.8 | 26.8 |

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

| | 2015 £ | 2014 £ |
|--|-----------|-----------|
| Defined benefit obligation | (943,000) | (755,000) |
| Scheme assets | 614,000 | 481,000 |
| Deficit | (329,000) | (274,000) |
| Experience adjustments on scheme liabilities | (9,000) | (100,000) |
| Experience adjustments on scheme assets | (8,000) | 18,000 |

26. OPERATING LEASE COMMITMENTS

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

| | 2015 £ | 2014 £ |
|-----------------------|-----------|-----------|
| EXPIRY DATE: | | |
| Between 2 and 5 years | 8,052 | 4,434 |

27. 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 a Trustee has an interest. All transactions involving such a 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:

Launceston Community College, a school of which Mr J Jackson (a Trustee) is the Head teacher, charged the Academy Trust £9,533 for grounds maintenance and other services. At the period end £920 was included within creditors. This transaction falls outside of the "at cost" principle as Mr J Jackson does not hold sufficient control at Launceston Community College.

During the period the Trust made sales of £594 to St Catherine's C of E School, a school where Mrs S Chapman is a governor. There was no balance outstanding at the year end.

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27. RELATED PARTY TRANSACTIONS (continued)