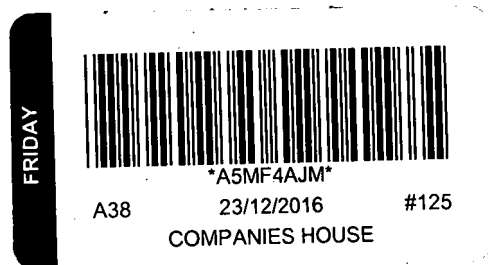


Perry Hall Multi-Academy Trust

Trustees Report and Financial Statements

For the Year Ended 31 August 2016



Perry Hall Multi-Academy Trust
(A company limited by guarantee)

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Perry Hall Multi-Academy Trust
(A company limited by guarantee)

Reference and Administrative Details of the Academy, its trustees and Advisers
For the Year Ended 31 August 2016

Members	A Brocklehurst L McCarthy K Kent (appointed 21 March 2016) J Purawal (appointed 21 March 2016) T Westwood (appointed 21 March 2016)
Trustees	A Brocklehurst*, Chair of Trustees L McCarthy* A K Cheema*, Executive Head Teacher and Accounting Officer M Edwards*, Vice Chair D Tarbuck * member of Resources Committee
Company registered number	08566185
Company name	Perry Hall Multi-Academy Trust
Principal and registered office	Colman Avenue Wednesfield Wolverhampton West Midlands WV11 3RT
Executive Head Teacher	A K Cheema
Senior management team	A K Cheema, Executive Head Teacher R Kohli, Head of School T Hinkley, Head of School D Asbury, Head of School A Bhandal, Assistant Head Teacher C Gibbins, Assistant Head Teacher E Pritchett, Assistant Head Teacher L Fellows, Assistant Head Teacher A Smith, Assistant Head Teacher M Dodd, Assistant Head Teacher S Hughes, Assistant Head Teacher J Parkes, Head of Finance and Business Administration
Company secretary	J Parkes
Independent auditors	Dains LLP Statutory Auditor Chartered Accountants 15 Colmore Row Birmingham B3 2BH

Perry Hall Multi-Academy Trust
(A company limited by guarantee)

Trustees' Report
For the Year Ended 31 August 2016

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The trust operates three primary schools across Wolverhampton, with approximately 900 children.

Structure, governance and management

a. Constitution

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

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The trustees of Perry Hall Multi-Academy Trust are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Perry Hall Multi-Academy Trust.

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

b. Members' liability

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

c. Method of recruitment and appointment or election of Trustees

The management of the academy trust is the responsibility of the trustees who are elected and co-opted under the terms of the Articles of Association.

On 12 June 2013 the Perry Hall Primary School Governing Body appointed 3 Members for the newly formed Academy. Subsequent changes have occurred to the members. The Members then appointed a number of Trustee Governors.

In accordance with the Articles of Association, the Academy's Governing Body comprises the following:

- Up to 5 Governors appointed by the Members
- Up to 3 Governors appointed in accordance with any policy decided by the Governors
- A minimum of 2 Parent Governors
- The Executive Head Teacher

The term of office for any Governor shall be four years, save that this time limit shall not apply to the Head Teacher. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

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

d. Policies and procedures adopted for the induction and training of Trustees

The Board of Trustees has devised an informal induction process to ensure that all Trustees understand their roles and responsibilities. The training and induction provided for new Trustees will depend on their experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees have access to policies, procedures, minutes, budgets and other documents they will need to undertake their role as Trustees. All Trustees are subject to DBS checks.

e. Organisational structure

The Board of Trustees of the Multi-Academy Trust establishes an overall framework for the governance of the Academy and is responsible for setting general policy, adopting an annual plan and budget, monitoring the company by the use of budgets, making major decisions about the strategic directions of the company, and senior staff appointments. The Trustees are responsible for the monitoring and performance of the Executive Head Teacher on a regular basis.

The Local Governing Bodies of each of the schools are responsible for implementing the policies laid down by the Trustees and reporting back to them. The Local Governing Bodies are a mix of parents, staff and co-opted governors.

The Executive Head Teacher is the Accounting Officer.

f. Pay policy for key management personnel

The Trust pay policy has been agreed by the Pay Committees of each local governing body following consultation with staff and recognised trade unions, then subsequently ratified by Trustees. The Trust recognises that all pay progression decisions for teaching staff including those in leadership positions must be linked to annual appraisal of performance and the procedures set out in the Pay policy ensures that this is achieved in a fair and transparent way. The Trustees also recognise the importance of support staff performance appraisal – again including those in key management roles – and performance related pay is being reviewed for these staff members.

Objectives and Activities

a. Objects and aims

The principal object and activity of the charitable company is the operation of Perry Hall Multi-Academy Trust to provide education for pupils aged 3-11, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing the schools offering a balanced curriculum, and to promote for the benefit of the individuals living in Wolverhampton and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interest of social welfare and with the object of improving the condition of life of the said individuals.

Trustees' Report (continued)
For the Year Ended 31 August 2016

b. Review of activities

Dunstall Hill Primary

The major event of the academic year 2015/16 was the conversion and consolidation of Dunstall Hill Primary School into the Multi Academy Trust with effect from 1 May 2016 following a period of support from senior leaders within the trust.

This conversion brought the current complement to three primary schools with approximately 900 children.

Dunstall Hill is a large primary school with a high EAL percentage located one and a half miles north of Wolverhampton city centre. It provides education for children from the age of three to eleven and is currently two form entry up to Year 2 and single form in Key Stage Two. It is an expanding school subject to a £5m development programme which should be completed by early 2017.

Some of the key achievements/developments for the other two schools in the year ended 31 August 2016 are summarised below:

Perry Hall Primary

The school was subject to its first OFSTED inspection since academy conversion on 10 March 2016.

The inspection report, having given careful consideration as to whether the school would likely be judged outstanding with a full inspection, highlighted several significant strengths notably considerable improvements in pupils' achievement in mathematics, the quality of leadership and management and the excellent provision in early years. Safeguarding procedures were reported as a model of exemplary practice. Strong leadership has brought about many improvements since the previous inspection but it was felt that there was still a bit more to do in English (especially boys and disadvantaged pupils writing) to warrant an outstanding rating at this time.

Assessment

- Pupils continue to enter school below age related bands leaving Reception close to age related bands and then leaving Key Stage I broadly in line with national averages hence demonstrating at least good progress
- The school enjoyed excellent Key Stage II results again with Year 6 attainment following the May 2016 SATS continuing to be above national in all subject areas as follows:

READING		WRITING		SPAG		MATHS	
<i>P Hall</i>	<i>National</i>	<i>P Hall</i>	<i>National</i>	<i>P Hall</i>	<i>National</i>	<i>P Hall</i>	<i>National</i>
76%	66%	81%	74%	85%	72%	85%	70%
	+10%		+7%		+7%		+15%

- Combined results therefore showed Perry Hall's percentage of children who achieved standard in test outcomes to be 75% compared to a national result of 53% (+22%)

Behaviour & Attendance

- Overall behaviour in school continues to be outstanding due to the effective systems in place to ensure all incidents are dealt with. Regular meetings between parents, staff, senior leaders and outside agencies where needed are undertaken.
- Overall percentage of absence across the academic year was 3.7% keeping in line with national averages, which was another improvement on the prior year.
- The school continues to work hard and closely with the Educational Welfare Officer to ensure this rate is improved even further.

Trustees' Report (continued)
For the Year Ended 31 August 2016

Review of activities (continued)

Facilities

- The Key Stage II toilet refurbishment project highlighted in last year's report at an estimated cost of £100,000 was subject to a tender process in May 2016. However, the bids were higher than original expectations with the successful vendor completing the works during the summer holidays at an approximate cost of £149,000.
- A door replacement programme including modifications to the Infant and Junior Halls was carried out during Quarter 2.
- It has been recognised previously that a full heating system replacement is inevitable and consequently this became the subject of a Condition Improvement Funding bid during the year. However, this bid was not successful but is anticipated to be re-submitted during the forthcoming academic year.
- The two boiler rooms have been subject to recent review by the trust's facilities management company and are due to be tendered for remedial work soon.

Berrybrook Primary

Assessment

- Pupils continue to enter the school well below age related bands leaving Reception close to age related bands and leaving Key Stage I broadly in line with national averages demonstrating at least good progress
- Key Stage II attainment continued to be above national in all subject areas as demonstrated by the May 2016 SATs results:

<u>READING</u>		<u>WRITING</u>		<u>SPAG</u>		<u>MATHS</u>	
<i>Berrybrook</i>	<i>National</i>	<i>Berrybrook</i>	<i>National</i>	<i>Berrybrook</i>	<i>National</i>	<i>Berrybrook</i>	<i>National</i>
78%	66%	78%	74%	78%	72%	78%	70%
	+12%		+4%		+6%		+8%

- The school remains proud of the Level 6 results achieved with overall results continuing the upward trend of the last few years

Behaviour & Attendance

- Behaviour continues to improve across school and a new inclusion file system was set up during the year. Appropriate support is put in place for those pupils with severe social and emotional difficulties and the assistance of the Trust's Assistant Educational Psychologist continues to have a marked effect.
- Overall percentage of absence across the academic year was 4.9% which was improved on the prior year but still remains below national averages
- The school continues to work hard and closely with the Educational Welfare Officer to ensure this rate is improved by targeting a minority of persistent offenders

Review of activities (continued)

Facilities

- The Condition Improvement funded roof replacement was successfully completed in late 2015 at a cost of approximately £400,000
- To accommodate a new Terrific for Twos provision due to open in September 2016, it was necessary to move existing year groups around the school facility with consequent significant refurbishment of some areas. This project was successfully completed during the summer break at an approximate cost of £193,000. This project was subject to a significant monetary contribution from the authority Early Years team.
- During the Easter holidays, work was also successfully completed to improve the car park provision at the premises at an approximate cost of £35,000.
- Following the transfer of the previously resident Children's Centre team to new premises, there was successful negotiation of tenancy agreements with two educationally focussed clients.

M.A.T. Business Team

As a result of the consolidation of a third establishment into the trust, there has been a review of resource within the M.A.T Business Team. This resulted in the appointment of further suitably skilled staff in response to the increased central services demands of our three schools.

With a continued drive to a more standardised and efficient central shared service, finance processes are currently under review with invoice processing due to be centralised by the end of the calendar year.

c. Public benefit

The Trustees confirm that they have complied with the requirement in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

Achievements and performance

a. Key performance indicators

See Review of activities above.

b. 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 Accounting Policies.

Financial review

a. Financial risk management objectives and policies

The major risks to which the Multi-Academy Trust is exposed have been assessed, in particular those relating to the provision of effective education, robust recruitment and retention processes to ensure capacity and capability exists to continually improve performance and the provision of effective health and safety for all children and members of staff. Due consideration has also been afforded to the need for high levels of financial management and internal control.

Consequently, as part of a formal risk management system at Perry Hall (which is being replicated at Berrybrook and Dunstall Hill), the Multi-Academy Trust is undertaking a full review of the main areas of risks which it faces in a drive to minimise and mitigate risk – operational, financial, commercial and reputational.

This assessment has recently included a review of all health and safety, child protection and safeguarding policies and procedures. In addition a review of all financial controls and processes has been undertaken in conjunction with an external service provider.

The risk management process has identified the types of risk, scored and prioritised them in terms of their potential operational / financial impact and likelihood and means of mitigating these risks.

Principal risks and uncertainties

The key risks of concern to the Multi-Academy Trust have been identified as follows:

- Ensuring adequate financial management keeps funds within agreed budget constraints
- Adverse publicity leading to potential reputational damage
- Changes in leadership and management
- Inability to recruit staff of sufficient calibre and retain key members of staff to ensure performance delivery

b. Review of financial performance

Most of the Academy's income is obtained from the DfE in the form of recurrent grants, the use of which is restricted for particular purposes. The grants received from the DfE during the year ended 31 August 2016 and the associated expenditure are shown as restricted funds in the statement of financial activities.

During the year ended 31 August 2016, total expenditure of £4,099,562 (excluding pension reserve adjustments and depreciation) was covered by recurrent grant funding from the Education Funding Agency together with other incoming resources of £4,382,798. The excess of income over such expenditure for the year was £283,236. £322,737 was then transferred to the restricted fixed asset fund for assets purchased from GAG, so the net deficit for the Academy for the year is £39,501.

At 31 August 2016 the net book value of fixed assets was £11,159,483. Movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and associated support services to the pupils of the Academy.

c. Reserves policy

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

No designated funds have been set aside for future expenditure.

At 31 August 2016, the Academy had free reserves of £556,242 (2015 - £595,743), fixed asset reserves of £11,159,483 (2015 - £8,537,593) which can only be realised by disposing of tangible fixed assets, and a pension reserve in deficit of £2,610,000 (2015 - £1,355,000).

Under Financial Reporting Standard 102, it is necessary to charge project deficits on the Local Government Pension Scheme, which is provided to support staff, to the restricted general fund. This results in reducing the reserves shown in the total funds of the Academy. It should be noted that this does not present the Academy with any current liquidity problem. The Academy is currently paying increased employer contributions to reduce this deficit.

Plans for future periods

a. Future developments

The strategy of the Trust is to grow via sponsorship of other schools and there have been bids for appropriate establishments on occasions throughout the academic year.

Against a backdrop of continuing good performance, detailed objectives and action plans for the forthcoming year are contained within each individual school's School Improvement Plan (SIP).

Across the Multi-Academy Trust the following key priorities have been identified for the forthcoming academic year:

Achievement – To improve the quality of provision ensuring pupils from each different starting point make at least expected progress and the proportion of pupils exceeding in English & Mathematics is high compared to national results, with attainment at least in line with national averages.

Leadership – Leaders at all levels, including governors, to hold staff to account in the pursuit of excellence hence ensuring high levels of achievement and personal development for all pupils

Quality of Teaching – Ensure that the quality of teaching is never less than good and moving to outstanding

The effectiveness of these action plans will be monitored and reported at local governing bodies committee meetings on a half termly basis via evaluation questions contained within the individual plans.

Funds held as custodian

No monies are being held on behalf of other schools or other organisations as at 31 August 2016.

Trustees' Report (continued)
For the Year Ended 31 August 2016

Disclosure of information to auditors

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

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

This report was approved by order of the board of trustees as the company directors, on 28 November 2016 and signed on its behalf by:



A Brocklehurst
Chair of Trustees

Perry Hall Multi-Academy Trust
(A company limited by guarantee)

Governance Statement

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Perry Hall 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 Perry Hall 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 Statement of Trustees' Responsibilities. The board of trustees has formally met 3 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
A Brocklehurst	3	3
L McCarthy	2	3
A K Cheema	3	3
M Edwards	2	3
D Tarbuck	3	3

Governance reviews:

A further skills audit was undertaken at the start of the academic year for each local governing body and this has led to the most appropriate use of resource being deployed on the various sub-committees.

Another successful Governor Away Day was held in July 2016 and brought governors from each of the three local governing bodies together to exchange views and ideas against the context of the School Improvement Plans. The day also included information on trust finances and development of action plans from staff, parental and pupil questionnaire results.

This session has now become an annual fixture in the Trust's calendar.

The resources committee is a sub-committee of the main board of trustees. Its purpose is to:

- Monitor, evaluate and review policy and performance in relation to financial management
- Ensure compliance with reporting and regularity requirements
- Draft the annual budget

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
A K Cheema	10	12
A Brocklehurst	6	6
M Edwards	6	6
L McCarthy	6	6

Governance Statement (continued)

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

Financial Governance

In addition to the regular Resources Committee meetings where there is now a review of latest detailed management accounts information, the Trust has employed an internal audit services provider to review financial procedures and processes. Regular reporting and monitoring is performed based on the findings of this additional responsible officer.

Robust Purchasing

Tendering, quoting and invoicing is appraised to ensure the best mix of quality and effectiveness is being provided to the academies and service level agreements are reviewed and challenged where necessary to ensure best value for the Trust.

Vendors are being reviewed across the three academies to ensure that synergies are being realised or standardisation of services provided.

Investment

Individual cash forecasts are prepared and reviewed to ensure that optimal use of cash is employed. Deposit accounts have been used where short term cash flow needs allow for excess funds to be invested elsewhere at more beneficial rates.

Pupil Premium / Sports Premium

These additional sources of funding are tracked and monitored in order to ensure resources are effectively targeted to make or exceed expected academic process. The trust has utilised the pupil premium funding in each school to ensure enough support staff are deployed appropriately to provide the required intervention strategies for the targeted children.

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 Perry Hall Multi-Academy Trust for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy 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 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

Governance Statement (continued)

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the resources 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 HCSS to perform additional checks.

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

- Leadership and governance
- People management
- Policy and strategy
- Partnership and resources
- Processes

On an annual basis HCSS reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

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 reviewer;
- 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 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 28 November 2016 and signed on their behalf, by:



A Brocklehurst
Chair of Trustees



A K Cheema
Accounting Officer

Perry Hall Multi-Academy Trust
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Statement on Regularity, Propriety and Compliance

As accounting officer of Perry Hall 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 for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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



A K Cheema
Accounting Officer

Date: 28 November 2016

Perry Hall Multi-Academy Trust
(A company limited by guarantee)

Statement of Trustees' Responsibilities
For the Year Ended 31 August 2016

The trustees (who act as governors of Perry Hall 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 and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 28 November 2016 and signed on its behalf by:



A Brocklehurst
Chair of Trustees

Perry Hall Multi-Academy Trust
(A company limited by guarantee)

Independent Auditors' Report on the Financial Statements to the Members of Perry Hall Multi-Academy Trust

We have audited the financial statements of Perry Hall Multi-Academy Trust for the year ended 31 August 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the 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 for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of trustees and auditors

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

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

Perry Hall Multi-Academy Trust
(A company limited by guarantee)

Independent Auditors' Report on the Financial Statements to the Members of Perry Hall Multi-Academy Trust

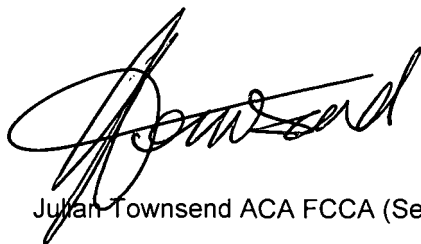
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Julian Townsend ACA FCCA (Senior statutory auditor)

for and on behalf of

Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham
28 November 2016

Perry Hall Multi-Academy Trust
(A company limited by guarantee)

Independent Reporting Accountant's Assurance Report on Regularity to Perry Hall Multi-Academy Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 26 September 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Perry Hall Multi-Academy Trust during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Perry Hall Multi-Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Perry Hall Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 28 June 2013, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Conclusion

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



Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

28 November 2016

Perry Hall Multi-Academy Trust
(A company limited by guarantee)

Statement of Financial Activities
(incorporating the Income and Expenditure Account and the Statement of Total Recognised Gains and Losses)
For the Year Ended 31 August 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Income from:						
Donations & capital grants:						
Transfer from Local Authority on conversion	2	348,782	(315,000)	2,104,033	2,137,815	-
Other donations and capital grants	2	47,227	17,299	462,936	527,462	333,990
Charitable activities: funding for the academy trust's educational operations	3	-	3,918,646	-	3,918,646	3,308,893
Other trading activities	4	12,929	34,484	-	47,413	69,911
Investments	5	3,431	-	-	3,431	1,811
Total income		412,369	3,655,429	2,566,969	6,634,767	3,714,605
Expenditure on:						
Charitable activities		182,747	3,865,815	267,816	4,316,378	3,519,454
Total expenditure	6	182,747	3,865,815	267,816	4,316,378	3,519,454
Net income / (expenditure) before investment losses		229,622	(210,386)	2,299,153	2,318,389	195,151
Actuarial losses on defined benefit pension schemes		-	(991,000)	-	(991,000)	(90,000)
Net income / (expenditure) before transfers		229,622	(1,201,386)	2,299,153	1,327,389	105,151
Transfers between Funds	18	(126,430)	(196,307)	322,737	-	-
Net income / (expenditure)		103,192	(1,397,693)	2,621,890	1,327,389	105,151
Reconciliation of funds:						
Total funds brought forward		453,050	(1,212,307)	8,537,593	7,778,336	7,673,185
Total funds carried forward		556,242	(2,610,000)	11,159,483	9,105,725	7,778,336

Perry Hall Multi-Academy Trust
(A company limited by guarantee)
Registered number: 08566185

Balance Sheet
As at 31 August 2016

	Note	£	2016 £	£	2015 £
Fixed assets					
Tangible assets	15		11,159,483		8,537,593
Current assets					
Debtors	16	404,869		188,747	
Cash at bank and in hand		1,005,811		1,204,576	
		<u>1,410,680</u>		<u>1,393,323</u>	
Creditors: amounts falling due within one year	17	(854,438)		(797,580)	
Net current assets			<u>556,242</u>		<u>595,743</u>
Total assets less current liabilities			<u>11,715,725</u>		<u>9,133,336</u>
Defined benefit pension scheme liability	24		(2,610,000)		(1,355,000)
Net assets including pension scheme liabilities			<u><u>9,105,725</u></u>		<u><u>7,778,336</u></u>
Funds of the academy					
Restricted funds:					
Restricted funds	18	-		142,693	
Pension reserve	18	(2,610,000)		(1,355,000)	
Restricted fixed asset funds	18	11,159,483		8,537,593	
Total restricted funds			<u>8,549,483</u>		<u>7,325,286</u>
Unrestricted funds	18		<u>556,242</u>		<u>453,050</u>
Total funds			<u><u>9,105,725</u></u>		<u><u>7,778,336</u></u>

The financial statements were approved by the trustees, and authorised for issue, on 28 November 2016 and are signed on their behalf, by:



A Brocklehurst
Chair of Trustees

The notes on pages 22 to 45 form part of these financial statements.

Perry Hall Multi-Academy Trust
(A company limited by guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	(228,241)	750,717
Cash flows from investing activities:			
Interest received		3,431	1,811
Purchase of tangible fixed assets		(792,544)	(343,033)
Capital grants from DfE/EFA and other capital income		462,936	283,721
Cash received on conversion		355,653	-
Net cash provided by/(used in) investing activities		29,476	(57,501)
Change in cash and cash equivalents in the year		(198,765)	693,216
Cash and cash equivalents brought forward		1,204,576	511,360
Cash and cash equivalents carried forward	21	1,005,811	1,204,576

1. Accounting Policies

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

1.1 Basis of preparation of financial statements

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

Perry Hall Multi-Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

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

1.3 Income

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

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

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

1. Accounting Policies (continued)

1.4 Expenditure

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

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Tangible fixed assets and depreciation

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long Term Leasehold Land	-	Over the lease term
Long Term Leasehold Property	-	2% Straight line
Leasehold Improvements	-	10% Straight line
Fixtures and fittings	-	20% Straight line
Computer equipment	-	33.3% Straight line

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

1.6 Interest receivable

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

1.7 Debtors

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

1. Accounting Policies (continued)

1.8 Cash at Bank and in hand

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

1.9 Liabilities and provisions

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

1.10 Operating leases

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

1.11 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. Accounting Policies (continued)

1.12 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 24, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.13 Fund accounting

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

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

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

1. Accounting Policies (continued)

1.14 Critical accounting estimates and areas of judgement

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Notes to the Financial Statements
For the Year Ended 31 August 2016

2. Income from donations and capital grants

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds Year ended 31 August 2015	Total funds
	2016 £	2016 £	2016 £	2015 £	2015 £
Transfer from Local Authority on conversion	348,782	(315,000)	2,104,033	2,137,815	-
Donations	-	17,299	-	17,299	5,163
Parent contributions to school visits	47,227	-	-	47,227	45,106
Devolved capital funding	-	-	15,596	15,596	15,415
Capital maintenance fund	-	-	315,340	315,340	268,306
Capital contribution	-	-	132,000	132,000	-
Subtotal	47,227	17,299	462,936	527,462	333,990
Total donations and capital grants	396,009	(297,701)	2,566,969	2,665,277	333,990

In 2015, of the total income from donations and capital grants, £50,269 was to unrestricted funds and £283,721 was to restricted funds

Perry Hall Multi-Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2016

3. Funding for Academy's educational operations

	Unrestricted funds	Restricted funds	Total funds Year ended 31 August 2015	Total funds 2015
	2016 £	2016 £	2015 £	2015 £
DfE/EFA grants				
General annual grant (GAG)	-	2,854,306	2,854,306	2,471,200
Start up grant	-	25,000	25,000	-
Universal infant free school meals	-	52,440	52,440	56,810
Pupil premium	-	321,873	321,873	285,622
Sports funding	-	18,590	18,590	18,580
School improvement funding	-	45,000	45,000	-
Big lottery funding	-	-	-	10,000
Sponsorship capacity funding	-	75,000	75,000	-
	-	3,392,209	3,392,209	2,842,212
Other government grants				
Contributions from other services	-	75,281	75,281	94,017
Twos funding	-	105,438	105,438	74,083
Early years funding	-	267,666	267,666	268,595
Pupil premium	-	2,878	2,878	-
	-	451,263	451,263	436,695
Other funding				
Catering income	-	32,599	32,599	29,986
Income from school support services	-	42,575	42,575	-
	-	75,174	75,174	29,986
	-	3,918,646	3,918,646	3,308,893

In 2015, of the total income from charitable activities, £ *NIL* was to unrestricted funds and £3,308,893 was to restricted funds.

Notes to the Financial Statements
For the Year Ended 31 August 2016

4. Other trading activities

	Unrestricted funds	Restricted funds	Total funds Year ended 31 August 2015	Total funds 2015
	2016 £	2016 £	2015 £	2015 £
Hire of facilities	9,100	-	9,100	23,114
Extended services fees	3,829	34,484	38,313	46,797
	<u>12,929</u>	<u>34,484</u>	<u>47,413</u>	<u>69,911</u>

In 2015, of the total income from other trading activities, £23,114 was to unrestricted funds and £46,797 was to restricted funds.

5. Investment income

	Unrestricted funds	Restricted funds	Total funds Year ended 31 August 2015	Total funds 2015
	2016 £	2016 £	2015 £	2015 £
Bank interest	3,431	-	3,431	1,811

In 2015, of the total investment income, £1,811 was to unrestricted funds and £ NIL was to restricted funds.

6. Expenditure

	Staff costs	Premises	Other costs	Total Year ended 31 August 2015	Total 2015
	2016 £	2016 £	2016 £	2015 £	2015 £
Activities:					
Direct costs	1,546,161	241,243	612,153	2,399,557	1,911,807
Support costs	1,220,359	229,325	467,137	1,916,821	1,607,647
	<u>2,766,520</u>	<u>470,568</u>	<u>1,079,290</u>	<u>4,316,378</u>	<u>3,519,454</u>

In the year ended 31 August 2016, of the total expenditure, £182,747 (2015 - £119,888) was to unrestricted funds and £4,134,631 (2015 - £3,399,566) was to restricted funds.

Perry Hall Multi-Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2016

7. Direct costs

	Total 2016 £	Total 2015 £
LGPS costs	53,000	45,000
Educational supplies	109,815	48,835
Staff development	27,540	25,784
Technology costs	54,301	30,507
Educational consultancy	170,779	68,877
Travel and subsistence	63,379	50,912
Other direct costs	133,212	99,542
Recruitment and support	127	140
Wages and salaries	1,274,103	1,091,782
National insurance	114,608	92,395
Pension cost	157,450	159,685
Depreciation	241,243	198,348
	2,399,557	1,911,807

8. Support costs

	Total 2016 £	Total 2015 £
Travel and subsistence	5,776	3,634
Other direct costs	151,008	102,323
Irrecoverable VAT	13,387	5,499
Maintenance of premises	12,480	57,753
Maintenance of equipment	53,894	33,648
Cleaning	36,536	13,120
Rates	13,220	6,712
Water rates	21,084	19,557
Energy	47,025	55,238
Insurance	41,518	4,182
Catering costs	176,402	162,142
Severance payment	8,150	-
Governance costs	97,559	53,939
Wages and salaries	1,064,051	954,040
National insurance	61,686	48,449
Pension cost	86,472	75,992
Depreciation	26,573	11,419
	1,916,821	1,607,647

9. Expenditure - Analysis of specific expenses

Included within expenditure are the following transactions:

	Total	Individual items above £5,000	
	£	Amount	Reason
	£	£	
Severance payments	8,150	8,150	Redundancy

10. Net incoming resources/(resources expended)

This is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	267,816	209,767
Auditors' remuneration - audit	11,050	8,900
Auditors' remuneration - other services	750	600
Operating lease rentals	2,644	2,562
	<u>281,260</u>	<u>211,829</u>

Notes to the Financial Statements
For the Year Ended 31 August 2016

11. Staff costs

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	2,338,154	2,045,822
Social security costs	176,294	140,844
Operating costs of defined benefit pension schemes	243,922	235,677
	2,758,370	2,422,343
Severance payments	8,150	-
	2,766,520	2,422,343

Included in staff costs are non-contractual severance payments totalling £8,150 (2015 - £Nil). The payment made was an individual amount of £7,800 and £350 legal costs paid on behalf of the employee.

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

	2016	2015
	No.	No.
Teachers and teaching assistants	84	61
Administration and support	52	46
Management	12	8
	148	115

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

	2016	2015
	No.	No.
In the band £80,001 - £90,000	1	1

The key management personnel of the academy trust comprise key trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £561,260 (2015 - £483,011).

12. Central services

The academy trust has provided the following central services to its academies during the year:

- Human resources
- Finance services
- Administration
- Data services
- Early years consultancy
- Executive head and leadership support
- Educational psychologist support

The academy trust charges for these services on the following basis:

Salary charges are split equally between the 2 academies/3 academies post Dunstall Hill Primary School joining the MAT.

The actual amounts charged during the year were as follows:

	2016 £	2015 £
Perry Hall Primary School	144,144	139,368
Berrybrook Primary School	144,144	187,596
Dunstall Hill Primary School	35,233	-
Total	<u>323,521</u>	<u>326,964</u>

13. Trustees' remuneration and expenses

One trustee has been paid remuneration or has received other benefits from an employment with the academy trust. The Executive Head Teacher only receives remuneration in respect of services she provides undertaking her role of Executive Head Teacher under her contract of employment, and not in respect of her role as trustee. The value of trustee remuneration and other benefits was as follows:

		2016 £	2015 £
A K Cheema	Remuneration	85,000-90,000	85,000-90,000
	Pension contributions paid	10,000-15,000	10,000-15,000

During the year, no trustees received any benefits in kind (2015 - £NIL).

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

14. Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was £36,413 (2015 - £28,735).

Notes to the Financial Statements
For the Year Ended 31 August 2016

15. Tangible fixed assets

	Long Term Leasehold Land and Buildings £	Leasehold Improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2015	7,965,000	846,257	47,111	8,274	8,866,642
Additions	-	706,274	11,429	74,841	792,544
Transfer on conversion	2,025,000	-	20,000	52,162	2,097,162
At 31 August 2016	9,990,000	1,552,531	78,540	135,277	11,756,348
Depreciation					
At 1 September 2015	239,530	69,381	18,141	1,997	329,049
Charge for the year	141,440	99,803	11,593	14,980	267,816
At 31 August 2016	380,970	169,184	29,734	16,977	596,865
Net book value					
At 31 August 2016	9,609,030	1,383,347	48,806	118,300	11,159,483
At 31 August 2015	7,725,470	776,876	28,970	6,277	8,537,593

16. Debtors

	2016 £	2015 £
Trade debtors	110,290	1,168
VAT recoverable	77,153	31,961
Other debtors	10,048	-
Prepayments and accrued income	207,378	155,618
	<u>404,869</u>	<u>188,747</u>

Notes to the Financial Statements
For the Year Ended 31 August 2016

17. Creditors: Amounts falling due within one year

	2016 £	2015 £
Trade creditors	257,115	110,864
Other taxation and social security	59,438	40,121
Other creditors	42,182	26,443
Accruals and deferred income	495,703	620,152
	<u>854,438</u>	<u>797,580</u>
	2016 £	2015 £
Deferred income		
Deferred income at 1 September 2015	393,671	103,760
Resources deferred during the year	132,403	393,671
Amounts released from previous years	(393,671)	(103,760)
Deferred income at 31 August 2016	<u>132,403</u>	<u>393,671</u>

At the balance sheet date the Academy was holding Universal Infant Free School Meals funding and Early Years funding received in advance of the academic year 2016/17 and unspent capital funds.

Notes to the Financial Statements
For the Year Ended 31 August 2016

18. Statement of funds

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General funds	453,050	412,369	(182,747)	(126,430)	-	556,242
Restricted funds						
General Annual Grant	142,693	2,854,306	(2,710,193)	(286,806)	-	-
Pupil Premium	-	321,873	(321,009)	(864)	-	-
Other DfE/EFA grants	-	216,030	(163,590)	(52,440)	-	-
Other funding	-	545,621	(545,621)	-	-	-
Catering	-	32,599	(176,402)	143,803	-	-
Pension reserve	(1,355,000)	(315,000)	51,000	-	(991,000)	(2,610,000)
	(1,212,307)	3,655,429	(3,865,815)	(196,307)	(991,000)	(2,610,000)
Restricted fixed asset funds						
Terrific For Twos Capital	74,051	-	(13,880)	-	-	60,171
Maintenance Fund	507,862	315,340	(68,010)	-	-	755,192
Devolved Capital grants	15,415	15,596	-	-	-	31,011
Assets inherited on conversion	7,747,566	2,104,033	(156,267)	-	-	9,695,332
Assets funded from GAG	192,699	-	(28,326)	322,737	-	487,110
Capital contribution	-	132,000	(1,333)	-	-	130,667
	8,537,593	2,566,969	(267,816)	322,737	-	11,159,483
Total restricted funds	7,325,286	6,222,398	(4,133,631)	126,430	(991,000)	8,549,483
Total of funds	7,778,336	6,634,767	(4,316,378)	-	(991,000)	9,105,725

18. Statement of funds (continued)

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

Unrestricted funds

Unrestricted 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. Unrestricted funds will be deployed primarily on appropriate staffing and leadership structures at the recently converted academy to ensure that pupil achievement is enhanced.

Restricted general funds

This fund represents grants and other income received for the Academy Trust's operational activities and development

Pension reserve

The pension reserve included within restricted general funds represents the Academy Trust's share of the pension liability arising on the LGPS pension fund.

Restricted fixed asset funds

This fund represents grants and other income received to carry out works of a capital nature.

Transfers between funds

Transfers between funds relate to fixed assets purchased from General Annual Grant.

Analysis of academies by fund balance

Fund balances at 31 August 2016 were allocated as follows:

	Total 2016 £	Total 2015 £
Perry Hall Primary School	(66,325)	244,776
Berrybrook Primary School	100,227	303,069
Dunstall Hill Primary School	359,202	-
MAT	163,138	47,898
Pension reserve	(2,610,000)	(1,355,000)
Total before fixed asset fund and pension reserve	(2,053,758)	(759,257)
Restricted fixed asset fund	11,159,483	8,537,593
Total	<u><u>9,105,725</u></u>	<u><u>7,778,336</u></u>

Notes to the Financial Statements
For the Year Ended 31 August 2016

18. Statement of funds (continued)

Analysis of academies by cost

Expenditure incurred by each academy and the Multi-Academy Trust during the year was as follows:

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total 2016	Total 2015
Perry Hall Primary School	813,717	665,321	70,297	672,318	2,221,653	2,015,028
Berrybrook Primary School	525,414	418,250	31,884	370,711	1,346,259	1,294,659
Dunstall Hill Primary	207,030	128,638	7,609	96,681	439,958	-
Multi-Academy Trust	-	8,150	25	32,517	40,692	-
	<u>1,546,161</u>	<u>1,220,359</u>	<u>109,815</u>	<u>1,172,227</u>	<u>4,048,562</u>	<u>3,309,687</u>

19. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds Year ended 31 August	Total funds
	2016 £	2016 £	2016 £	2015 £	2015 £
Tangible fixed assets	-	-	11,159,483	11,159,483	8,537,593
Current assets	556,242	819,973	34,467	1,410,682	1,393,323
Creditors due within one year	-	(819,973)	(34,467)	(854,440)	(797,580)
Provisions for liabilities and charges	-	(2,610,000)	-	(2,610,000)	(1,355,000)
	<u>556,242</u>	<u>(2,610,000)</u>	<u>11,159,483</u>	<u>9,105,725</u>	<u>7,778,336</u>

Notes to the Financial Statements
For the Year Ended 31 August 2016

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2016 £	2015 £
Net income for the year (as per Statement of financial activities)	1,327,389	105,151
Adjustment for:		
Depreciation charges	267,816	209,767
Interest receivable	(3,431)	(1,811)
(Increase)/decrease in debtors	(216,122)	376,684
Increase in creditors	56,858	210,647
Capital grants from DfE/EFA and other capital income	(462,936)	(283,721)
Net assets and liabilities from local authority on conversion	(2,137,815)	-
LGPS adjustments	(51,000)	44,000
Actuarial loss on defined benefit pension scheme	991,000	90,000
Net cash (used in)/provided by operating activities	(228,241)	750,717

21. Analysis of cash and cash equivalents

	2016 £	2015 £
Cash in hand	1,005,811	1,204,576
Total	1,005,811	1,204,576

Perry Hall Multi-Academy Trust
(A company limited by guarantee)

Notes to the Financial Statements
For the Year Ended 31 August 2016

22. Conversion to an academy trust

On 1 May 2016 Dunstall Hill Primary School joined Perry Hall Multi-Academy Trust and all the operations and assets and liabilities were transferred to Perry Hall Multi-Academy Trust from Wolverhampton City Council for £Nil consideration.

The transfers have been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the statement of financial activities as voluntary income.

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	-	2,025,000	2,025,000
Other tangible fixed assets	-	-	72,162	72,162
Budget surplus on LA funds	342,489	-	6,871	349,360
Budget surplus on other school funds	6,293	-	-	6,293
LGPS pension deficit	-	(315,000)	-	(315,000)
Net assets/(liabilities)	<u>348,782</u>	<u>(315,000)</u>	<u>2,104,033</u>	<u>2,137,815</u>

23. Capital commitments

At 31 August 2016 the Academy had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	<u>-</u>	<u>340,718</u>

24. Pension commitments

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £179,000 (2015 - £114,000).

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

24. Pension commitments (continued)

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £286,000 (2015 - £158,000), of which employer's contributions totalled £248,000 (2015 - £122,000) and employees' contributions totalled £38,000 (2015 - £36,000). The agreed contribution rates for future years are 20.4% for employers and 5.5% - 6.5% for employees.

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

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

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	3.75 %	4.15 %
Rate of increase for pensions in payment / inflation	2.00 %	2.40 %

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

	2016	2015
Retiring today		
Males	23.1 years	23.0 years
Females	25.8 years	25.6 years
Retiring in 20 years		
Males	25.3 years	25.2 years
Females	28.1 years	28.0 years

Notes to the Financial Statements
For the Year Ended 31 August 2016

24. Pension commitments (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	412,000	192,000
Government bonds	48,000	24,000
Property	55,000	27,000
Other bonds	60,000	32,000
Cash/liquidity	45,000	16,000
Other	75,000	30,000
	<u>695,000</u>	<u>321,000</u>
Total market value of assets	<u>695,000</u>	<u>321,000</u>

The actual return on scheme assets was £88,000 (2015 - £11,000).

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(144,000)	(121,000)
Net interest cost	(53,000)	(45,000)
	<u>(197,000)</u>	<u>(166,000)</u>
Total	<u>(197,000)</u>	<u>(166,000)</u>
Actual return on scheme assets	<u>88,000</u>	<u>11,000</u>

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

	2016 £	2015 £
Opening defined benefit obligation	1,676,000	1,373,000
Inherited on conversion	315,000	-
Current service cost	144,000	121,000
Interest cost	71,000	58,000
Contributions by employees	38,000	36,000
Actuarial losses	1,061,000	88,000
	<u>3,305,000</u>	<u>1,676,000</u>
Closing defined benefit obligation	<u>3,305,000</u>	<u>1,676,000</u>

24. Pension commitments (continued)

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

	2016 £	2015 £
Opening fair value of scheme assets	321,000	152,000
Return on plan assets (excluding net interest on the net defined pension liability)	70,000	2,000
Interest income	18,000	9,000
Contributions by employer	248,000	122,000
Contributions by employees	38,000	36,000
Closing fair value of scheme assets	695,000	321,000

25. Operating lease commitments

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
Amounts payable:		
Within 1 year	1,759	2,562
Between 1 and 5 years	2,115	3,676
Total	3,874	6,238

26. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration already disclosed in note 13.

27. 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.

28. First time adoption of FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014.

The policies applied under the Academy's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.