

Perry Hall Multi-Academy Trust

Trustees Report and Financial Statements

For the Year Ended 31 August 2015



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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 Members/ Trustees and Advisers
For the Year Ended 31 August 2015

Members and Trustees A Brocklehurst*, Chair of Trustees
J Plant (resigned 15 September 2014)
Trustees A K Cheema*, Executive Head Teacher and Accounting Officer
M Edwards*, Vice Chair
D Hodgkiss (resigned 15 September 2014)
D Tarbuck
L McCarthy* (appointed 12 January 2015)

* member of Resources Committee

Company registered number 08566185

Principal and registered office Colman Avenue
Wednesfield
Wolverhampton
West Midlands
WV11 3RT

Executive Head Teacher A K Cheema

Senior management team R Kohli, Head of School
T Hinkley, Head of School
A Bhandal, Assistant Head
C Gibbins, Assistant Head
E Pritchett, Assistant Head
L Fellows, Assistant Head
A Smith, Assistant Head

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 2015

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Perry Hall Multi-Academy Trust (the Academy) for the year ended 31 August 2015. The trustees confirm that the Annual report and financial statements of the Academy comply with the current statutory requirements, the requirements of the Academy's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

a. Constitution

The Academy is a charitable company limited by guarantee and was incorporated by a Memorandum of Association on 12 June 2013. The Academy has exempt charity status and its principal regulator is the Department for Education (DfE).

On 1 July 2013 Perry Hall Primary School converted to an Academy. On 17 February 2014, the Academy changed its name to Perry Hall Multi-Academy Trust. On 1 April 2014, Berrybrook Primary School joined the Multi-Academy Trust.

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 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 the 3 Members for the newly formed Academy. 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. Risk management

The trustees have assessed the major risks to which the Academy is exposed, in particular those related to the operations and finances of the Academy, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Objectives and Activities

a. Objects and aims

The principal object and activity of the charitable company is the operation of Perry Hall Primary School and Berrybrook Primary School 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.

b. 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.

Strategic report

Achievements and performance

a. Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the Academy 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.

b. Review of activities

Some of the key achievements/developments for each school in the year ended 31 August 2015 are summarised below:

Perry Hall Primary

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
- Key Stage II attainment continued to be above national in all subject areas as follows:

	<u>READING</u>		<u>WRITING</u>		<u>SPAG</u>		<u>MATHS</u>	
LEVEL 4	96%	89%	95%	85%	93%	76%	95%	86%
LEVEL 5	60%	49%	44%	33%	62%	52%	60%	42%
LEVEL 6	0%	0%	5%	2%	7%	4%	18%	9%

- It was with great pleasure that the school was awarded a prize in the Key Stage II category of the Pupil Premium Awards 2015. This was as a result of being one of the most improved schools in the country in terms of attainment and progress of disadvantaged pupils since 2011.

Behaviour and Attendance

- Overall behaviour in school continues to be outstanding due to the effective systems in place to ensure all incidents are dealt with effectively
- Overall percentage of absence across the academic year was 4.4% which was an improvement on the prior year
- The school continues to work hard and closely with the Educational Welfare Officer to ensure this rate is improved

Facilities

- Successful completion of the CIF funded roof replacement
- Successful completion of car parks and barrier works for improved security
- Refurbishment of staff welfare facilities addressing staff questionnaire comments including staff room and toilets
- Creation of Scrapstore Playpod following successful funding bid

b. Review of activities (continued)

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 follows:

	<u>READING</u>		<u>WRITING</u>		<u>SPAG</u>		<u>MATHS</u>	
LEVEL 4	95%	89%	90%	85%	80%	76%	100%	86%
LEVEL 5	50%	49%	40%	33%	75%	52%	50%	42%
LEVEL 6	5%	0%	5%	2%	0%	4%	15%	9%

- The school was particularly proud of the Level 6 results achieved. The overall results are also an improvement on the last three years data signifying an upward trend

Behaviour and Attendance

- Behaviour continues to improve across school with the number of reported incidents (57% reduced on the prior year)
- An increased number of pupils receive support for social, emotional, behavioural and learning needs from the Trust's Assistant Educational Psychologist, a newly created position in the year which is having a marked effect.
- Overall percentage of attendance across the academic year was 6.2% which was consistent with the prior year
- The school continues to work hard and closely with the Educational Welfare Officer to ensure this rate is improved

Facilities

- Commencement of CIF funded roof replacement with work due to be completed early December 2015
- Successful re-negotiation of tenancy agreement with local Children's Centre regarding occupancy of an area within school

Multi-Academy Trust

- There has been a successful re-structure of the Multi-Academy Trust Business Team in response to the central services demands of the individual academies

Financial review

a. Financial and 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), 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.

b. 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

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 additional funds have been set aside for future expenditure other than those associated with the CIF funded Berrybrook roofing replacement project.

d. Deficit

Under Financial Reporting Standard Number 17, it is necessary to account for the deficit on the Local Government Pension Scheme, which is provided to support staff. This results in reducing the Academy's restricted reserves. It should be noted that the Academy continues to pay the recommended increased employer contributions to reduce this deficit.

e. Principal funding

The Academy receives its principal funding from the government through the EFA.

Plans for future periods

a. Future developments

The strategy of the Trust is to grow via sponsorship of other schools and following a successful application process, in March 2015, the Trust was awarded Sponsorship Capacity funding. This funding recognises the costs involved in increasing capacity to sponsor underperforming schools

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 trustee on behalf of others

No monies are being held on behalf of other schools or other organisations as at 31 August 2015

Trustees' responsibilities statement

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 (including the Strategic report) and the financial statements in accordance with the Annual Accounts Requirements 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 the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in 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 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.

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, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 23 November 2015 and signed on the board's behalf by:



A Brocklehurst
Chair of Trustees

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 Trustees' responsibilities statement. 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
J Plant	1	1
A K Cheema	3	3
M Edwards	3	3
D Hodgkiss	1	1
D Tarbuck	3	3
L McCarthy	1	2

Governance reviews:

A 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.

More recently an additional further detailed financial skills assessment tool has been utilised, the results of which are being consolidated at present to underpin the Resources Committee meetings.

An inaugural Governor Away Day was held in June bringing governors from each local governing body together to exchange views and ideas against the context of the School Improvement Plans. This was a highly successful day and will 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	4	4
A Brocklehurst	3	4
M Edwards	4	4
L McCarthy	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:

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 external internal audit services provider to review the 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 two 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.

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 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 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 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 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'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

The Academy'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.

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

- 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 external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy 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 23 November 2015 and signed on its 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 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 and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Academy board of trustees are able to identify any material, irregular or improper use of funds by the Academy, or material non-compliance with the terms and conditions of funding under the Academy's funding agreement and the Academies Financial Handbook (2014).

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: 23 November 2015

Independent Auditors' Report 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 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'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'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 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 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 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.

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
23 November 2015

Perry Hall Multi-Academy Trust
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Independent Reporting Accountants' 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 28 September 2015 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 Perry Hall 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 Perry Hall 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 Perry Hall 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 Perry Hall Multi-Academy Trust and 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 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's income and expenditure.

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

Independent Reporting Accountants' Assurance Report on Regularity to Perry Hall 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.



Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

23 November 2015

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 2015

		Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	Total funds 14 months ended
		Year ended 31 August 2015	Year ended 31 August 2015	Year ended 31 August 2015	Year ended 31 August 2015	31 August 2014
	Note	£	£	£	£	£
Incoming resources						
Incoming resources from generated funds:						
Transfer from Local Authority on conversion	2	-	-	-	-	7,483,897
Other voluntary income	2	50,269	-	-	50,269	38,817
Activities for generating funds	3	23,114	46,797	-	69,911	50,654
Investment income	4	1,811	-	-	1,811	1,096
Incoming resources from charitable activities	5	-	3,308,893	283,721	3,592,614	3,261,560
Total incoming resources		75,194	3,355,690	283,721	3,714,605	10,836,024
Resources expended						
Charitable activities		71,364	3,184,384	209,767	3,465,515	2,916,261
Governance costs	9	48,524	5,415	-	53,939	69,578
Total resources expended	6	119,888	3,189,799	209,767	3,519,454	2,985,839
Net incoming / (outgoing) resources before transfers		(44,694)	165,891	73,954	195,151	7,850,185
Transfers between Funds	19	-	(105,739)	105,739	-	-
Net incoming resources before revaluations		(44,694)	60,152	179,693	195,151	7,850,185
Actuarial losses on defined benefit pension schemes		-	(90,000)	-	(90,000)	(177,000)
Net movement in funds for the year		(44,694)	(29,848)	179,693	105,151	7,673,185
Total funds at 1 September 2014		497,744	(1,182,459)	8,357,900	7,673,185	-
Total funds at 31 August 2015		453,050	(1,212,307)	8,537,593	7,778,336	7,673,185

All activities relate to continuing operations.

The notes on pages 23 to 44 form part of these financial statements.

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

Balance Sheet
As at 31 August 2015

	Note	£	2015 £	£	2014 £
Fixed assets					
Tangible assets	16		8,537,593		8,404,327
Current assets					
Debtors	17	188,747		565,431	
Cash at bank		1,204,576		511,360	
		<u>1,393,323</u>		<u>1,076,791</u>	
Creditors: amounts falling due within one year	18	<u>(797,580)</u>		<u>(586,933)</u>	
Net current assets			595,743		489,858
Total assets less current liabilities			9,133,336		8,894,185
Defined benefit pension scheme liability	25		<u>(1,355,000)</u>		<u>(1,221,000)</u>
Net assets including pension scheme liability			7,778,336		7,673,185
Funds of the academy					
Restricted funds:					
Restricted funds	19	142,693		38,541	
Restricted fixed asset funds	19	8,537,593		8,357,900	
Restricted funds excluding pension liability		<u>8,680,286</u>		<u>8,396,441</u>	
Pension reserve		<u>(1,355,000)</u>		<u>(1,221,000)</u>	
Total restricted funds			7,325,286		7,175,441
Unrestricted funds	19		<u>453,050</u>		<u>497,744</u>
Total funds			7,778,336		7,673,185

The financial statements were approved by the trustees, and authorised for issue, on 23 November 2015 and are signed on their behalf, by:



A Brocklehurst
Chair of Trustees

The notes on pages 23 to 44 form part of these financial statements.

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

Cash Flow Statement
For the Year Ended 31 August 2015

	Note	2015 £	2014 £
Net cash flow from operating activities	21	750,717	18,781
Returns on investments and servicing of finance	22	1,811	1,096
Capital expenditure and financial investment	22	(59,312)	(12,895)
Cash transferred on conversion to an academy trust		-	504,378
Increase in cash in the year		693,216	511,360

Reconciliation of Net Cash Flow to Movement in Net Funds
For the Year Ended 31 August 2015

	2015 £	2014 £
Increase in cash in the year	693,216	511,360
Movement in net funds in the year	693,216	511,360
Net funds at 1 September 2014	511,360	-
Net funds at 31 August 2015	1,204,576	511,360

The notes on pages 23 to 44 form part of these financial statements.

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention. 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 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 one year from the date of approval of the financial statements.

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For legacies, entitlement is the earlier of the Academy being notified of an impending distribution or the legacy being received.

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 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.

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

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

1. Accounting Policies (continued)

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.

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

Governance costs include the costs attributable to the Academy'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 Fund accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the Academy 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. Accounting Policies (continued)

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's depreciation policy.

Tangible fixed assets are stated at cost less depreciation. 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.

1.7 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 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 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)

1.9 Pensions

Retirement benefits to employees of the Academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the Academy.

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 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 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 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 the 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 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.

2. Voluntary income

	Unrestricted funds	Restricted funds	Total funds	Total funds 14 months ended
	Year ended 31 August 2015 £	Year ended 31 August 2015 £	Year ended 31 August 2015 £	31 August 2014 £
Transfer from Local Authority on conversion	-	-	-	7,483,897
Donations	5,163	-	5,163	1,531
Parent contributions to school visits	45,106	-	45,106	37,286
Subtotal	50,269	-	50,269	38,817
Voluntary income	50,269	-	50,269	7,522,714

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

Notes to the Financial Statements
For the Year Ended 31 August 2015

3. Activities for generating funds

	Unrestricted funds	Restricted funds	Total funds	Total funds 14 months ended
	Year ended 31 August 2015 £	Year ended 31 August 2015 £	Year ended 31 August 2015 £	31 August 2014 £
Hire of facilities	23,114	-	23,114	18,560
Extended services fees	-	46,797	46,797	32,094
	<u>23,114</u>	<u>46,797</u>	<u>69,911</u>	<u>50,654</u>

4. Investment income

	Unrestricted funds	Restricted funds	Total funds	Total funds 14 months ended
	Year ended 31 August 2015 £	Year ended 31 August 2015 £	Year ended 31 August 2015 £	31 August 2014 £
Bank interest	1,811	-	1,811	1,096
	<u>1,811</u>	<u>-</u>	<u>1,811</u>	<u>1,096</u>

Perry Hall 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	Restricted funds	Total funds	Total funds 14 months ended 31 August 2014
	Year ended 31 August 2015 £	Year ended 31 August 2015 £	Year ended 31 August 2015 £	£
DfE/EFA revenue grants				
General annual grant (GAG)	-	2,471,200	2,471,200	2,173,548
Rates relief	-	-	-	8,286
Insurance grant	-	-	-	10,301
Capital maintenance fund	-	268,306	268,306	281,041
Start up grant	-	-	-	50,000
Universal free school meals	-	56,810	56,810	-
Pupil premium	-	285,622	285,622	177,491
Sports funding	-	18,580	18,580	7,173
School improvement funding	-	-	-	45,000
Big lottery funding	-	10,000	10,000	-
Terrific for twos	-	-	-	81,700
Early years funding	-	268,595	268,595	158,117
Devolved capital funding	-	15,415	15,415	6,367
Twos funding	-	-	-	46,427
	-	3,394,528	3,394,528	3,045,451
Other government grants				
Contributions from other services	-	94,017	94,017	172,684
Twos funding	-	74,083	74,083	-
	-	168,100	168,100	172,684
Other funding				
Catering income	-	29,986	29,986	43,425
	-	29,986	29,986	43,425
	-	3,592,614	3,592,614	3,261,560

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

Notes to the Financial Statements
For the Year Ended 31 August 2015

6. Resources expended

	Staff costs	Non Pay Premises	Expenditure Other costs	Total	Total
	Year ended 31 August 2015 £	Year ended 31 August 2015 £	Year ended 31 August 2015 £	Year ended 31 August 2015 £	14 months ended 31 August 2014 £
Direct costs	1,343,862	198,348	369,597	1,911,807	1,644,014
Support costs	1,078,481	163,800	311,427	1,553,708	1,272,247
Charitable activities	2,422,343	362,148	681,024	3,465,515	2,916,261
Governance	-	-	53,939	53,939	69,578
	2,422,343	362,148	734,963	3,519,454	2,985,839

7. Direct costs - educational operations

	Total Year ended 31 August 2015 £	Total 14 months ended 31 August 2014 £
Pension income	45,000	43,000
Educational supplies	48,835	34,880
Staff development	25,784	13,703
Technology costs	30,507	32,280
Educational consultancy	68,877	61,368
Travel and subsistence	50,912	48,519
Other direct costs	99,542	84,258
Recruitment and support	140	1,409
Wages and salaries	1,091,782	1,023,488
National insurance	92,395	84,872
Pension cost	159,685	105,674
Depreciation	198,348	110,563
	1,911,807	1,644,014

Perry Hall Multi-Academy Trust
(A company limited by guarantee)
Notes to the Financial Statements
For the Year Ended 31 August 2015

8. Support costs - educational operations

	Total 2015 £	Total 14 months ended 31 August 2014 £
Travel and subsistence	3,634	2,382
Other direct costs	102,323	41,621
Irrecoverable VAT	5,499	-
Maintenance of premises	57,753	78,971
Maintenance of equipment	33,648	7,128
Cleaning	13,120	23,554
Operating leases	-	200
Rates	6,712	12,231
Water rates	19,557	12,707
Energy	55,238	47,939
Insurance	4,182	62,935
Catering costs	162,142	104,363
Wages and salaries	954,040	710,635
National insurance	48,449	33,150
Pension cost	75,992	125,712
Depreciation	11,419	8,719
	<u><u>1,553,708</u></u>	<u><u>1,272,247</u></u>

9. Governance costs

	Unrestricted funds	Restricted funds	Total funds	Total funds 14 months ended 31 August 2014 £
	Year ended 31 August 2015 £	Year ended 31 August 2015 £	Year ended 31 August 2015 £	
Auditors' remuneration	9,500	-	9,500	9,500
Legal and professional fees	39,024	5,415	44,439	60,078
	<u><u>48,524</u></u>	<u><u>5,415</u></u>	<u><u>53,939</u></u>	<u><u>69,578</u></u>

Perry Hall Multi-Academy Trust
(A company limited by guarantee)
Notes to the Financial Statements
For the Year Ended 31 August 2015

10. Net incoming / (outgoing) resources

This is stated after charging:

	2015	Total 14 months ended 31 August 2014
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	209,767	119,282
Auditors' remuneration	9,500	9,500
Operating lease rentals:		
- other operating leases	2,562	2,132
	<u>211,829</u>	<u>120,914</u>

Perry Hall Multi-Academy Trust
(A company limited by guarantee)
Notes to the Financial Statements
For the Year Ended 31 August 2015

11. Staff

a. Staff costs

Staff costs were as follows:

	2015 £	Total 14 months ended 31 August 2014 £
Wages and salaries	2,045,822	1,734,123
Social security costs	140,844	118,022
Other pension costs (Note 25)	235,677	231,386
	<u>2,422,343</u>	<u>2,083,531</u>

b. Staff numbers

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

	2015 No.	2014 No.
Management	8	7
Teachers	28	25
Teaching assistants	25	23
Supervisory assistants	4	2
Early Years Practitioners	2	6
After School Club assistants	4	1
Childcare supervisors	1	1
Family support workers	1	3
Administrative staff	7	7
Caretakers	2	2
Cleaners	4	2
	<u>86</u>	<u>79</u>

c. Higher paid staff

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

	2015 No.	2014 No.
In the band £70,001 - £80,000	0	1
In the band £80,001 - £90,000	1	0
	<u>1</u>	<u>1</u>

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for this employee amounted to £11,885 (2014 - £10,690 for 14 months).

Perry Hall Multi-Academy Trust
(A company limited by guarantee)
Notes to the Financial Statements
For the Year Ended 31 August 2015

12. Central services

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

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

The Academy charges for these services on the following basis:

Salary charges are split equally between the 2 academies.

The actual amounts charged during the year were as follows:

	2015
	£
Perry Hall Primary School	139,368
Berrybrook Primary School	187,596
	326,964
Total	326,964

13. Trustees' remuneration and expenses

The Executive Head Teacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Head Teacher and staff, and not in respect of their services as trustees. Other trustees did not receive any payments from the Academy in respect of their role as trustees. The value of trustees' remuneration fell within the following bands:

	2015	2014
	£	£
C Gibbins - remuneration (Nil months / 9 months)		25,000-30,000
C Gibbins - employer's pension contributions (Nil months / 9 months)		0-5,000
B Bate - remuneration (Nil months / 9 months)		25,000-30,000
B Bate - employer's pension contributions (Nil months / 9 months)		0-5,000
L Fergusson - remuneration (Nil months / 9 months)		15,000-20,000
L Fergusson - employer's pension contributions (Nil months / 9 months)		0-5,000
A K Cheema - remuneration (12 months / 14 months)	85,000-90,000	75,000-80,000
A K Cheema - employer's pension contributions (12 months / 14 months)	10,000-15,000	10,000-15,000

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

During the year, no trustees received any reimbursement of expenses (2014 - £NIL).

Perry Hall Multi-Academy Trust
(A company limited by guarantee)
Notes to the Financial Statements
For the Year Ended 31 August 2015

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 2015 was included in the total insurance cost of £28,735 (2014 - £35,561 for 14 months).

15. Other finance income

	2015 £	2014 £
Expected return on pension scheme assets	13,000	3,000
Interest on pension scheme liabilities	(58,000)	(46,000)
	<u>(45,000)</u>	<u>(43,000)</u>

16. Tangible fixed assets

	Long Term Leasehold Property £	Leasehold Improvements £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 September 2014	7,965,000	511,498	47,111	-	8,523,609
Additions	-	334,759	-	8,274	343,033
At 31 August 2015	<u>7,965,000</u>	<u>846,257</u>	<u>47,111</u>	<u>8,274</u>	<u>8,866,642</u>
Depreciation					
At 1 September 2014	108,250	2,313	8,719	-	119,282
Charge for the year	131,280	67,068	9,422	1,997	209,767
At 31 August 2015	<u>239,530</u>	<u>69,381</u>	<u>18,141</u>	<u>1,997</u>	<u>329,049</u>
Net book value					
At 31 August 2015	<u>7,725,470</u>	<u>776,876</u>	<u>28,970</u>	<u>6,277</u>	<u>8,537,593</u>
At 31 August 2014	<u>7,856,750</u>	<u>509,185</u>	<u>38,392</u>	<u>-</u>	<u>8,404,327</u>

Perry Hall Multi-Academy Trust
(A company limited by guarantee)
Notes to the Financial Statements
For the Year Ended 31 August 2015

17. Debtors

	2015	2014
	£	£
Trade debtors	1,168	29,436
Other debtors	31,961	106,682
Prepayments and accrued income	155,618	429,313
	<u>188,747</u>	<u>565,431</u>

18. Creditors:
Amounts falling due within one year

	2015	2014
	£	£
Trade creditors	110,864	230,345
Other taxation and social security	40,121	41,257
Other creditors	26,443	33,880
Accruals and deferred income	620,152	281,451
	<u>797,580</u>	<u>586,933</u>

	£
Deferred income	
Deferred income at 1 September 2014	103,760
Resources deferred during the year	468,672
Amounts released from previous years	(103,760)
Deferred income at 31 August 2015	<u>468,672</u>

Perry Hall Multi-Academy Trust
(A company limited by guarantee)
Notes to the Financial Statements
For the Year Ended 31 August 2015

19. Statement of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General funds	497,744	75,194	(119,888)	-	-	453,050
Restricted funds						
General Annual Grant (GAG)	38,541	2,471,200	(2,129,153)	(237,895)	-	142,693
Pupil Premium	-	285,622	(285,622)	-	-	-
Other DfE/EFA grants	-	353,986	(353,986)	-	-	-
Other funding	-	214,896	(214,896)	-	-	-
Catering	-	29,986	(162,142)	132,156	-	-
Pension reserve	(1,221,000)	-	(44,000)	-	(90,000)	(1,355,000)
	(1,182,459)	3,355,690	(3,189,799)	(105,739)	(90,000)	(1,212,307)
Restricted fixed asset funds						
Terrific For Twos Capital	90,058	-	(16,007)	-	-	74,051
Maintenance Fund	281,041	268,306	(41,485)	-	-	507,862
Devolved Capital grants	-	15,415	-	-	-	15,415
Assets inherited on conversion	7,886,550	-	(138,984)	-	-	7,747,566
Assets funded from GAG	100,251	-	(13,291)	105,739	-	192,699
	8,357,900	283,721	(209,767)	105,739	-	8,537,593
Total restricted funds	7,175,441	3,639,411	(3,399,566)	-	(90,000)	7,325,286
Total of funds	7,673,185	3,714,605	(3,519,454)	-	(90,000)	7,778,336

19. 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 at the discretion of the trustees. Some of the future plans for these funds are as follows;

A toilet refurbishment project is planned for 2015/16 which is expected to cost in the region of £100,000.

The trust is committed to enhancing curricular activity via the use of information technology and to this end a substantial amount of tablets and other portable hardware devices are set to be procured in the near future. In addition a comprehensive programme of replacing classroom interactive whiteboards with improved touch screen substitutes has just commenced and will continue throughout this academic year.

Investment in both teaching and classroom support staff is being enhanced (as an example a dedicated sports coach has been employed from September 2015) to ensure focussed intervention and continued progress and achievement.

At Perry Hall Primary School it has been recognised that a full heating system replacement is inevitable and this project will be the subject of a forthcoming Condition Improvement Funding bid. It has not yet been established how much this project is likely to cost but dependant on the outcome of the bid it has been recognised that a contribution from the school's surplus will be required in any event.

Restricted general funds

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

Pension reserve

The pension reserve included within restricted general funds represents the Academy'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.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015.

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

Notes to the Financial Statements
For the Year Ended 31 August 2015

19. Statement of funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows:

	Total £
Perry Hall Primary School	244,776
Berrybrook Primary School	303,069
MAT	47,898
	<hr/>
Total before fixed asset fund and pension reserve	595,743
Restricted fixed asset fund	8,537,593
Pension reserve	(1,355,000)
	<hr/>
Total	7,778,336
	<hr/>

Analysis of academies by cost

	Teaching and educational support staff costs	Other support staff costs	Educational supplies	Other costs excluding depreciation	Total
Perry Hall Primary School	803,764	603,213	23,639	584,412	2,015,028
Berrybrook Primary School	540,099	475,267	25,196	254,097	1,294,659
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	1,343,863	1,078,480	48,835	838,509	3,309,687
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Summary of funds

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	497,744	75,194	(119,888)	-	-	453,050
Restricted funds	(1,182,459)	3,355,690	(3,189,799)	(105,739)	(90,000)	(1,212,307)
Restricted fixed asset funds	8,357,900	283,721	(209,767)	105,739	-	8,537,593
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	7,673,185	3,714,605	(3,519,454)	-	(90,000)	7,778,336
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

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

Notes to the Financial Statements
For the Year Ended 31 August 2015

20. Analysis of net assets between funds

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds	Total funds 14 months ended
	Year ended 31 August 2015	Year ended 31 August 2015	Year ended 31 August 2015	Year ended 31 August 2015	31 August 2014
	£	£	£	£	£
Tangible fixed assets	-	-	8,537,593	8,537,593	8,404,327
Current assets	453,050	610,943	329,330	1,393,323	1,076,791
Creditors due within one year	-	(468,250)	(329,330)	(797,580)	(586,933)
Provisions for liabilities and charges	-	(1,355,000)	-	(1,355,000)	(1,221,000)
	<u>453,050</u>	<u>(1,212,307)</u>	<u>8,537,593</u>	<u>7,778,336</u>	<u>7,673,185</u>

21. Net cash flow from operations

	2015 £	2014 £
Net incoming resources before revaluations	195,151	7,850,185
Returns on investments and servicing of finance	(1,811)	(1,096)
Assets transferred on conversion	-	(7,483,897)
Depreciation of tangible fixed assets	209,767	119,282
Capital grants from DfE	(283,721)	(507,195)
Decrease/(increase) in debtors	376,684	(565,431)
Increase in creditors	210,647	586,933
FRS 17 adjustments	44,000	20,000
Net cash inflow from operations	<u>750,717</u>	<u>18,781</u>

22. Analysis of cash flows for headings netted in cash flow statement

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	<u>1,811</u>	<u>1,096</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(343,033)	(520,090)
Capital grants from DfE	283,721	507,195
Net cash outflow capital expenditure	<u>(59,312)</u>	<u>(12,895)</u>

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:	511,360	693,216	-	1,204,576
Net funds	511,360	693,216	-	1,204,576

24. Capital commitments

At 31 August 2015 the Academy had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	340,718	-

25. 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 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 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.

25. Pension commitments (continued)

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 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 £114,000 (2014 - £122,000 for 14 months).

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 has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy has set out above the information available on the scheme.

Perry Hall Multi-Academy Trust
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Notes to the Financial Statements
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25. Pension commitments (continued)

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 £158,000, of which employer's contributions totalled £122,000 and employees' contributions totalled £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.

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(1,676,000)	(1,373,000)
Fair value of scheme assets	321,000	152,000
	<u>(1,355,000)</u>	<u>(1,221,000)</u>
Net liability	<u>(1,355,000)</u>	<u>(1,221,000)</u>

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

	2015 £	2014 £
Current service cost	(121,000)	(86,000)
Interest on obligation	(58,000)	(46,000)
Expected return on scheme assets	13,000	3,000
	<u>(166,000)</u>	<u>(129,000)</u>
Total	<u>(166,000)</u>	<u>(129,000)</u>
Actual return on scheme assets	<u>11,000</u>	<u>6,000</u>

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

	2015 £	2014 £
Opening defined benefit obligation	1,373,000	-
Current service cost	121,000	86,000
Interest cost	58,000	46,000
Contributions by employees	36,000	31,000
Liabilities assumed in a business combination	-	1,024,000
Benefits paid	-	7,000
Actuarial losses	88,000	179,000
	<u>1,676,000</u>	<u>1,373,000</u>
Closing defined benefit obligation	<u>1,676,000</u>	<u>1,373,000</u>

25. Pension commitments (continued)

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

	2015	2014
	£	£
Opening fair value of scheme assets	152,000	-
Expected return on assets	13,000	3,000
Contributions by employer	122,000	109,000
Contributions by employees	36,000	31,000
Benefits paid	-	7,000
Actuarial (losses)/gains	(2,000)	2,000
	321,000	152,000

The cumulative amount of actuarial gains and losses recognised in the statement of total recognised gains and losses was £267,000 (2014 - £177,000).

The Academy expects to contribute £128,000 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	60.00 %	45.40 %
Government bonds	7.00 %	7.90 %
Other bonds	10.00 %	9.90 %
Property	9.00 %	8.60 %
Cash	5.00 %	4.60 %
Other	9.00 %	23.70 %

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

	2015	2014
Discount rate for scheme liabilities	4.00 %	4.00 %
Rate of increase in salaries	4.15 %	3.95 %
Rate of increase for pensions in payment / inflation	2.40 %	2.20 %
Inflation assumption (CPI)	2.40 %	2.20 %

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	23.0 years	22.9 years
Females	25.6 years	25.5 years
Retiring in 20 years		
Males	25.2 years	25.1 years
Females	28.0 years	27.8 years

25. Pension commitments (continued)

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015	2014
	£	£
Defined benefit obligation	(1,676,000)	(1,373,000)
Scheme assets	321,000	152,000
Deficit	<u>(1,355,000)</u>	<u>(1,221,000)</u>

26. Operating lease commitments

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

	2015	2014
	£	£
Expiry date:		
Between 2 and 5 years	<u>2,562</u>	<u>2,132</u>

27. Related party transactions

Owing to the nature of the Academy'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 organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

No related party transactions took place in the period of account.

28. Controlling party

The Academy is controlled by the Board of trustees.