

TCAT MULTI ACADEMY TRUST
GOVERNORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

WR
Whittingham Riddell
chartered accountants

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TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

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TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS

Members Ms R Beswick
 Ms G Bleasby (appointed 16 October 2018)
 Mr C Pallett
 Telford College, previously known as Telford College of Arts & Technology (TCAT)

Governors Ms R Beswick, Chair of Governors¹
 Ms G Bleasby¹
 Ms R Brown
 Mr A Cooke
 Mr T Fathers (appointed 18 December 2018)¹
 Mr G Guest, Accounting Officer
 Mr J Kirkpatrick (resigned 16 October 2018)
 Mrs L Pellowe (resigned 31 July 2019)
 Mr N Phillips (resigned 16 October 2018)
 Mrs K Roberts
 Mr P Roberts (appointed 16 October 2018)
 Mrs C Rowbotham (appointed 1 August 2019)
 Mr A Snowdon (resigned 9 August 2019)
 Ms J Stephens¹

Company registered ¹ Member of the Finance and Audit Committee
number 09709935

Company name TCAT Multi Academy Trust

Principal and registered Telford College of Arts and Technology
office Haybridge Road
 Telford
 Shropshire
 TF1 2NP

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Chief executive officer Mr G Guest

**Senior management
team**

Mr T Cash, Headteacher
Miss L Arscott, Chief Finance Officer (Appointed 1 August 2019)
Mr G Guest, Accounting Officer & Chief Executive
Mr Martyn Hassel, Chief Finance Officer (Resigned 1 August 2019)

Independent auditors

Whittingham Riddell LLP
Chartered Accountants
Statutory Auditors
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

TCAT MULTI ACADEMY TRUST
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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Governors present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2018 to 31 August 2019. The Annual report serves the purposes of both a Governors' report and a Directors' report under company law.

Structure, governance and management

a. Constitution

The 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 Trust.

The Governors of TCAT Multi Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company ("The Trust") is known as Kickstart Academy.

Details of the Governors who served during the year, and to the date these accounts are approved 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. Governors' indemnities

No indemnities have been entered into by the Trust with third parties on behalf of Governors.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

d. Method of recruitment and appointment or election of Governors

The constitution of the Board of Governors is as follows:

- Up to 6 Directors appointed by the Members (on a skills basis)
- Up to 2 Trust Directors (Trust Principals or LGB Chairs) appointed by the Board
- Up to 3 Co Opted Directors (appointed by the Board on a skills basis).

The Board of Governors makes all necessary arrangements for, and determines all other matters relating to, the election of the Staff Governor and Parent Governors. 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 Trust's development. The Board requires breadth and depth of experience to carry out its duties effectively and efficiently. When recruiting new Governors the important attribute is a passion for the work of our Trust and its pupils.

Parent Governors are elected by parents of registered pupils at the Trust. A Parent Governor must be a parent of a pupil at the Trust during their term of office; similarly, a Staff Governor must be a member of staff at the Trust during their period of office.

The term of office for all Governors is 4 years, except for the Chief Executive/Principal, who will remain a member of the Board of Governors whilst they serve in this capacity and that the term of office for Co opted Governors shall be 12 months, to be reviewed annually. Subject to remaining eligible to be a Governor, any Governor may be re appointed or re elected.

e. Policies adopted for the induction and training of Governors

The Board of Governors believes that to fulfil its responsibilities effectively, it is essential that each member is committed to a shared vision for the Trust and that the Board of Governors is working well as a team to achieve this. To help new Governors to feel able to take an active part within the Board of Governors and be valued as an equal member of the team, new Governors undergo a period of planned support to introduce them to their new role. The Board of Governors ensures that the following steps are taken.

I) The Chair of Governors sends a letter welcoming the new Governor to the team and offering them the opportunity to meet before the first formal Board of Governors meeting.

II) The Principal invites the new Governor to visit the Trust and experience its atmosphere and understand its ethos and receive an informal briefing on the Trust from the Principal to explain the partnership between the Principal, AUEA and Board of Governors.

III) When a new Governor attends their first meeting, the Chair of Governors welcomes them and introduces them to the other Governors. Governors are asked to introduce themselves and describe any particular interests/experience they have and the new Governor is given the opportunity to say something about himself / herself.

IV) The new Governor is invited to join a relevant forum or forums. If they wish, they can be given the opportunity to attend and observe forum meetings before making a decision about which forums they might like to join.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

f. Organisational structure

The Articles of Association set out the arrangements for the governance and management of the Trust. The Board of Governors is responsible for the overall management and control of the Trust and meets three times a year (or more if required). The work of implementing most of their policies is carried out at termly committee meetings. The Chief Executive/Principal and Head Teacher are responsible for coordinating the strategic work of the Governors and their committees, preparation of meeting papers and management accounts and the review of matters arising. The Head Teacher is responsible for the operational management of the Trust. All Governors give their time freely and no remuneration or expenses were paid in the year. No Governor or person connected to a Governor received any benefit from either means tested bursaries or scholarships awarded to pupils.

The Governors determine the general policy of the Trust. The day to day running of the Trust is delegated to the Chief Executive/Principal and Head Teacher, supported by senior staff. The Head Teacher undertakes the key leadership role overseeing educational, pastoral and administrative functions. The day to day administration of the Trust is undertaken within the policies and procedures approved by the Governors, which provide for only significant expenditure decisions and major capital projects to be referred to the Governors for prior approval.

The Board of Governors meets at least three times per year. Roles and responsibilities are as stipulated in the Trust Funding Agreement and the Articles of Association. There is an additional Governor Committee – the Finance & Audit Committee - with its own terms of reference and constitution, which are agreed annually at the first meeting of each academic year.

The Governors delegate the day to day operation of the Trust to the Senior Leadership Team, which for the year ended 31 August 2019 comprised the Chief Executive/Principal and Head Teacher. Each has their own particular area of the Trust to lead and this is reviewed annually. The staffing structure, including responsibilities, is reviewed on an annual basis.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

g. Arrangements for setting pay and remuneration of key management personnel

The Governors consider the Board of Governors and the Chief Executive/Principal and Head Teacher as comprising the key management personnel of the Trust in charge of directing and controlling the Trust; and running and operating on a day to day basis. All Governors give their time freely and no Governor remuneration was paid during the year.

Governors are required to disclose all relevant interests and register them with the Clerk and, in accordance with the Trust's policy, withdraw from decisions where a conflict of interest arises.

The Board of Governors has responsibility for establishing the Trust's pay policy, ensuring its application in practice and reviewing it on an annual basis, including pay awards. The Board of Governors is also responsible for determining the annual pay budget.

The Board of Governors has responsibility for the following areas:

- Determining any proposals for the alteration, closure or change of category of the Trust;
- Amending the constitution of the governing body;
- Appointing or removing the Chairman and/or Vice Chairman;
- Appointing the Clerk to the Governing Body;
- Suspending Governors;
- Determining the ethos of the school;
- Delegating specific responsibilities to any Governor committee/forum, the Chief Executive/Principal and Head Teacher or other holder of an executive office and determining and reviewing annually the terms of reference, constitution and membership of all committees/forums;
- Approving an annual budget;
- Deciding school session times and dates of school terms and holidays;
- Making arrangements for staff dismissal appeals;
- Setting up panels for the recruitment and selection of the Principal/Chief Executive and Head Teacher;
- Developing, monitoring and reviewing the Trust's Freedom of Information Publication Scheme;
- Approving the annual development plan and monitoring the annual Register of Interests.

The Head Teacher also regularly presents key performance indicators (KPIs) to the Board of Governors to enable it to monitor the progress of the Trust against its strategic targets.

The Principal of Telford College was the Accounting Officer.

The role of Clerk to the TCAT MAT was undertaken by S. Morley, the Clerk to the Telford College Corporation, from 01 January 2018.

h. Related parties and other connected charities and organisations

Telford College is the sponsor of the Trust. The Trust operates from premises owned by Telford College. The Trust pays Telford College an open market rate of rent for the space it occupies.

TCAT MULTI ACADEMY TRUST
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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities

a. Objects and aims

The objects set out in the Articles of Association of the Trust is for education in the UK, in particular by establishing, maintaining, carrying on, managing and developing a school offering a broad range of curriculum for students of different abilities.

The principal object and activity of the charitable company is to provide free education and care for students of different abilities. The Trust is an alternative provision academy and it runs this facility in collaboration with Telford & Wrekin Council. The mission is to provide a happy, stimulating, inclusive and supportive environment in which all partners are valued and respected and there are equal opportunities for all. The Trust will continue to develop its work in order to provide quality education, enriched learning opportunities, high expectations and challenge. In these ways, it is sought to enable each student to achieve their potential in all aspects of development, year on year.

Graduated and personalised interventions contribute to the positive outcomes for the Trust's students. The Trust is committed to providing inclusive support to raise standards for all its students and improving life chances. The Trust values the abilities and achievements of all its pupils and is committed to providing, for each student, the best possible environment and opportunities for learning through classroom based and personalised interventions.

b. Objectives, strategies and activities

The main objectives for academic year 2019/20 and the achievements are:

To provide a safe learning environment with timetables that are tailored to individual needs, the Trust aims to:

- Re engage young people who are at risk of educational and/or social exclusion.
- Improve attendance rates.
- Improve behaviour, confidence and self esteem.
- Improve achievement potential.
- Improve emotional wellbeing through targeted interventions.
- Provide opportunities for young people to gain a range of vocational accreditations.
- Provide opportunities for young people to achieve up to Level 2 in Maths, English and ICT Functional Skills.
- Support young people in achieving GCSEs in partnership with any external providers.
- Provide a programme of PSHE education, including drugs and alcohol awareness, sexual health, crime and career planning.
- Provide clear progression routes into further education, training and employment.

c. Public benefit

In setting objectives and planning for activities, the Governors have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

d. Activities for achieving objectives

The principal activity of the Trust is to provide free education for students of different abilities between the ages of 14 and 16. The objectives are to provide full time or part time education for young people who, by reason of illness, exclusion from school or otherwise, may not for any period receive suitable education unless alternative provision is made for them. The Trust provides alternative provision for Key Stage 4 students. Young people educated in the Kickstart alternative provision are among the most vulnerable.

The Trust's aims are to provide, for all partners:

- A happy, warm and welcoming environment where learning is fun and all can feel safe, secure and confident
- Creative opportunities and provide an environment for young people to encourage and plan their own learning journey
- An inclusive academy, which promotes a caring and sharing culture where everyone is valued
- A stimulating, positive, productive learning environment through the mutual support and teamwork of young people, staff, parents, the Governing Body and the wider community

In the Trust's feelings of self esteem and self respect in young people, staff and parents are promoted in order to develop positive, confident and responsible attitudes towards:

- Ourselves and each other
- Learning
- Good behaviour self awareness and how to deal with emotions and behaviour
- The Trust environment
- The community and wider world
- Healthy lifestyles

Values are promoted in all aspects of the Trust, which are:

- Each other
- Quality in education and all aspects of Trust life
- The feeling of pride and sense of belonging
- Successful partnerships with parents and the community
- Links with the local and wider community
- Resources and environment

The Trust aims to educate the 'whole' young person, catering for different learning styles thereby enabling each one to develop physically, intellectually, creatively, spiritually, emotionally, morally, culturally and socially to their full potential.

In the Trust, a curriculum will be provided to enable young people to become:

- Successful learners who enjoy learning, make progress and achieve
- Confident individuals who are able to live safe, healthy and fulfilling lives
- Responsible citizens who make a positive contribution to society

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

School Vision

- Kickstart Academy – 'Always Learning'
- L – Learning is everything – Teaching and Learning (Quality of Education)
- E – Every child matters – Safeguarding
- A – Achieving full potential – Outcomes (Quality of education)
- R – Resilience to challenge – Behaviour and attitudes
- N – Now is your time – Personal Development

Always Learning

- Students are learning at Kickstart Academy.
- Our planning and marking ensure that every lesson builds on the learning of the last
- Reflects our aspirations that what our students learn at Kickstart Academy will build the foundations for the future.
- Reflects our commitment for self-improvement.
- Acknowledging that it is essential that students play their part in their learning by being openly reflective and evaluative.
- Mistakes are fine if learning follows.
- It is accessible as an expression to all of our students.
- It is easily woven into our day to day dialogue with students.
- It reflects our purpose at Kickstart Academy– learning is what we aim to do the best.
- We can always get better at what we do through perseverance, resilience and determination.
- It is aspirational –there is always something more you can learn.
- Great learners can make a great contribution.
- Learning is everything –it's not just about being good at academic things.
- Students increasingly need to be adaptable to a fast changing world.

Values and ethos

At Kickstart Academy - We aim to:

- Inspire and motivate our students to become energetic, self-reflective and successful learners.
- Have high expectations for our students and instil in them the confidence to challenge themselves.
- Ensure that our students can make lifelong confident and positive contributions by enhancing both academic and personal development.
- Provide a safe and secure learning environment and establish genuine partnerships with parents.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

2017 – 2018															
Year 11	E3			L1			L2			GCSE				Camb . Nat	BTEC
	ICT	ENG	MAT H	ICT	ENG	MAT H	ICT	ENG	MAT H	ENG	H	ART	RS	Sport Sci L1	voc st
No. of candidates entered	12	12	18	10	29	37	4	16	13	17	12	16	11	13	23
No. Achieved	5	7	4	1	8	6	0	3	0	9	10	16	2	7	11
Achievemen t rate	42%	58%	22%	10%	28%	16%	0%	19%	0%	53%	83%	100%	18%	54%	48%
% 9-4 GCSE	0	0	0	0	0	0	0%	19%	0%	0%	8%	12%	0%	0%	0%
%3-1 GCSE	0	0	0	10%	28%	16%	0	0	0	53%	75%	88%	18%	54%	48%

Kickstart Academy results comparison 2017/18 - 2018/19

Subject	English Lit GCSE		VA	English Lang GCSE		VA	English FS		VA	Maths GCSE		VA	Maths FS		VA
Grade	2017/18	2018/19		2017/18	2018/19		2017/18	2018/19		2017/18	2018/19		2017/18	2018/19	
Grade 4 - 9/Level 2	0	1	▲	1	1	▲	3	4	▲	1	1	▲	1	3	▲
Grade 1 - 3/Level 1	9	10	▲	2	2	▲	8	6	▲	2	9	▲	6	9	▲
Entry 3							7	10	▲				4	5	▲
Entry 2															
Entry 1															
Unclassified	8	6	▲							2	2	▲	0		
Number of entries	17	17		0	0		3	5	▲	12	19	▲	11	17	▲

FS = Functional Skills
VA = Value added

▲ Increase
▼ Decrease

Subject	Art GCSE		VA	RS GCSE		VA	Science Entry Level		VA	BTEC Voc Studies L1		VA	BTEC Cooking L1		VA	Sports Science L1/2		VA
Grade	2017/18	2018/19		2017/18	2018/19		2017/18	2018/19		2017/18	2018/19		2017/18	2018/19		2017/18	2018/19	
Grade 4 - 9/Level 2	2	4	▲	0	0	▲	0	7	▲							0	0	▲
Grade 1 - 3/Level 1	14	13	▲	2	7	▲				13	20	▲	0	13	▲	7	5	▲
Entry 3							0	7	▲									
Entry 2							0	2	▲									
Entry 1							0	1	▲									
Unclassified	0	0	▲	9	2	▲										9	16	▲
Number of entries	16	17	▲	11	9	▲	0	11	▲	13	20	▲	0	15	▲	16	20	▲

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

YEAR ON YEAR GCSE RESULTS COMPARISON

2018/19	English GCSE Achieved	Maths GCSE Achieved	Art GCSE Achieved	RS GCSE Achieved	
U/X		6	2	0	2
D-G / 3-1		12	15	13	7
A-C / 9-4		2	2	4	0

2017/18	English GCSE Achieved	Maths GCSE Achieved	Art GCSE Achieved	RS GCSE Achieved
U/X	8	2	0	9
D-G / 3-1	9	9	14	2
A-C / 9-4	0	1	2	0

2016/17	English GCSE Achieved	Maths GCSE Achieved	Art GCSE Achieved	
U		2	5	0
D-G / 4-1		8	7	8
A-C / 9-5		0	0	0

Strategic report

Achievements and performance

a. Key performance indicators

Governors consider the following KPIs at their meetings:

- Pupil numbers (leading directly to the ESFA funding level)
- Student attendance/absence
- Staff attendance/absence
- Safeguarding incidents (number and type)
- Exclusions (number and reason)
- Active involvement with stakeholders
- General financial stability – income and expenditure
- Percentage of income received from ESFA spent on total staff costs
- Income per pupil
- Staff costs as a percentage of grant income
- Pupil attainment
- Ofsted inspection results
- Capital expenditure per pupil

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

b. Going concern

After making appropriate enquiries, the board of Governors has a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue 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.

Telford College is the most significant creditor of the Trust. The board of Governors have assurance from Telford College that at no point in the foreseeable future will it call in amounts owed by Kickstart Academy if doing so would seriously compromise the ability of the Trust to settle other liabilities as they fall due.

Within the limitations, the very real uncertainties around future funding, faced by the whole of the education sector and the wider public sector is always a risk.

c. Review of activities

The income resources for the year of £648K consist mainly of revenue grants from the DfE/ESFA.

The expenditure of £646K consists £520K Direct costs and £126K support costs.

Direct costs £520K represent 80% of total costs and total staff costs £365K are at 57% of total costs. The staff FTE numbers are Teachers 5, Support staff 5, Management 1, total 11.

The main financial performance indicator is the level of reserves held at the Balance Sheet date. The Trust held fund balances at 31/08/2019 of (£140K), £33K excluding LGPS pension liability.

As funding is based on pupil numbers this is also a KPI, pupil numbers for 2018/19 funding were 48 and there were 5 teachers, 5 support staff and 1 management, 11 in total, Staff: pupil ratio 1:4.

Financial review

a. Reserves policy

All the income and expenditure is accounted for in two Reserves. The net deficit across both Reserves in the year was £140K.

In year operating surplus before pension losses was £2k (2018: deficit £23,978).

The Restricted Reserves, in which the educational activities are accounted, has a deficit of (£140K) in the year (2018: deficit £87,510), including the LGPS deficit of £173k (2018: deficit £88k) and a surplus of £33K (2018: £9k) on operational activities. This reserve can only be used to fund educational activities.

Academies are not allowed to borrow or run a deficit; therefore costs are managed regarding the level of grant income from the ESFA to achieve and maintain reserve levels.

General Annual Grant surpluses are not required to be surrendered and can be carried forward. Furthermore, Academies are permitted to roll forward start up grants that are received when the Academy opens.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

b. Principal risks and uncertainties

The Trust has a risk management process to assess business risks and to implement risk management strategies. This process involves identifying the types of risk the Trust faces, prioritising the risks in terms of their potential operational and financial impact, assessing the likelihood of occurrence and identifying means of mitigating the risks. Areas of risk assessed include health & safety, trips, child protection, control of finance and educational outcomes.

An inspection by Ofsted is imminent. The outcome of this visit and the judgement given to the trust is crucial and therefore poses a risk. The Trust is aiming for a judgement of 'Good' which will demonstrate that the Trust is 'effective in delivering outcomes that provide well for all its pupils' needs and that pupils are well prepared for the next stage of their education, training or employment.' (Ofsted).

Risk Management

The Governors have adopted a strategic approach to risk management and assess the major risks to which the Academy Trust is exposed, in particular those relating to teaching, provision of facilities, financial, health and safety and other operational areas of the Trust.

Systems, policies, procedures and training have been developed alongside control measures to manage those risks. A review of financial and operational management was undertaken during 18.19 to improve and enhance the systems currently in place – this will be regularly reviewed by the board. This will include a best value exercise to provide Governors with further assurance that the operational areas of the Trust are robust and effective.

The Board of Governors acknowledges that it has overall responsibility for ensuring that its Trust has an effective and appropriate system of control for financial management. The Governors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Trust and ensure that the financial statements comply with the Companies Act 2006.

The Governors also acknowledge responsibility for safeguarding the assets of the Trust and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities and to provide assurance that:

- The Trust is operating efficiently and effectively
- Its assets are safeguarded against unauthorised use or disposal
- Proper records are maintained and financial information used within the Trust is reliable
- The Trust complies with relevant laws and regulations.

The Trust's system of financial control is based on a framework of management information and procedures including the adequate segregation of duties and a system of delegation and accountability.

In particular, it includes:

- Submission of annual income and expenditure reports which are reviewed, questioned and approved by Governors;
- Clearly defined financial procedures within the Trust
- Open tendering procedures and clear processes for procuring goods and services
- Effective delegation of authority and segregation of duties

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

The Governors are satisfied with the in depth financial testing undertaken by the Responsible Officer. The arrangements made to safeguard the resources and assets of the Trust are, in the Governors' opinion, robust and fit for purpose. However, the current arrangements can provide only reasonable and not absolute assurance.

c. Financial risk management objectives and policies

As a Trust funded directly by the Department of Education, funding streams are relatively secure, subject to the achievement of pupil numbers, although the Governors recognise government policy and overall funding levels represent an ongoing external risk to be managed.

The Trust has a risk register, which is reviewed on a regular basis. The Trust endeavours to manage its finances to ensure a healthy level of reserves sufficient to cover unforeseen circumstances and to use prudently as part of its longer term financial plan.

The Trust's financial objective is to sustain strong finances with flexible resource management and excellent value for money:

- The Trust sets annual income and surplus targets
- It has adopted flexible financial planning to meet the development needs of the Trust

The Trust's dealings with financial instruments are limited to bank accounts, debtors and creditors. This limitation serves to minimise credit and liquidity risks when this is combined with the nature of the Trust's debtors (being principally government bodies and other schools) and therefore the risk to cash flow is also minimal.

Plans for future periods

The Trust plans to increase progression into mainstream further education to ensure that its students continue to improve their career and employability prospects.

Employee involvement and employment of the disabled

The Governors recognise equal opportunities should be an integral part of good practice within the workplace. The Trust aims to establish equal opportunities in all areas of its activities including creating a workplace environment in which the contribution and needs of all people are fully valued.

The Governors recognise their responsibility under disability legislation in relation to disabled students and employees, and accessibility to ensure disabled students and employees do not receive less favourable treatment. The policy of the Trust is to support the recruitment and retention of students and employees with disabilities by making resources available and through training and career development, and supports this by adapting the physical environment where practicable and reasonable.

- Discussions are taking place between the Trust and its key stakeholders to identify a new trust for the Trust to join following Telford College's decision in June 2019 to withdraw its sponsorship. At the time of writing this report, a new trust had not been found; however, Telford College will continue to act as sponsor until this has been resolved.

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GOVERNORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Disclosure of information to auditors

Insofar as the Governors are aware:

- Discussions are taking place between the Kickstart Academy and its key stakeholders to identify a new trust for the Trust to join following Telford College's decision in June 2019 to withdraw its sponsorship. At the time of writing this report, a new trust had not been found; however, Telford College will continue to act as sponsor until this has been resolved.
- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

Auditors

The auditors, Whittingham Riddell LLP, have indicated their willingness to continue in office. The designated Governors will propose a motion reappointing the auditors at a meeting of the Governors.

The Governors' report, incorporating a strategic report, was approved by order of the board of Governors, as the company directors, on 17 December 2019 and signed on its behalf by:


.....
Ms R Beswick
Chair of Governors

TCAT MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of responsibility

As Governors, we acknowledge we have overall responsibility for ensuring that the 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 Governors has delegated the day-to-day responsibility to the Principal, 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 the Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Governors any material weaknesses or breakdowns in internal control.

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The board of Governors has formally met 4 times during the year.

Attendance during the year at meetings of the board of Governors was as follows:

Governor	Meetings attended	Out of a possible
Ms R Beswick, Chair of Governors	4	4
Ms G Bleasby	3	4
Ms R Brown	3	4
Mr A Cooke	4	4
Mr T Fathers	2	2
Mr G Guest, Accounting Officer	4	4
Mr J Kirkpatrick	0	1
Mrs L Pellowe	0	1
Mr N Phillips	1	1
Mrs K Roberts	4	4
Mr P Roberts	3	4
Mrs C Rowbotham	0	0
Mr A Snowdon	0	4
Ms J Stephens	4	4

Coverage of the Board's work, performance and data used by the Board:

The Board meet quarterly to oversee the running of the Trust. This includes the standard governance of the Trust, covering risk reviews, adoption of policies and setting of budgets. The finance and audit oversight is delegated to the Finance and Audit Committee.

The Finance and Audit Committee is a sub-committee of the main board of Governors. Its purpose is to provide appropriate scrutiny of the finance function within the Trust. This includes reviewing monthly management accounts and scrutinising the termly audit reports.

Attendance during the year at meetings was as follows:

Governor	Meetings attended	Out of a possible
Ms R Beswick	3	3
Ms G Bleasby	3	3
Mr T Fathers	2	2
Ms J Stephens	3	3

Review of value for money

As accounting officer, the Principal has responsibility for ensuring that the 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 Governors where value for money can be improved, including the use of benchmarking data where appropriate.

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 on-going process designed to identify and prioritise the risks to the achievement of 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 the Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Governors has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of Governors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Governors.

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

The 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 Governors
- regular reviews by the Finance and General Purposes 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 Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Governors have appointed Whittingham Riddell LLP, the external auditors, to perform additional checks.

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

- Reviewing the operations of the systems of controls;
- Review of procedures in place; and
- Reporting on their findings.

Please refer to both the Accounting Officer and Auditors statement on regularity for further comments in respect of the above.

On a termly basis, the external auditors report to the board of Governors through the audit committee on the operation of the systems of control and on the discharge of the Governors' financial responsibilities.

The external auditors have delivered their schedule of work as planned and provided details of any material control issues arising as a result of the work undertaken.

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)


Review of effectiveness

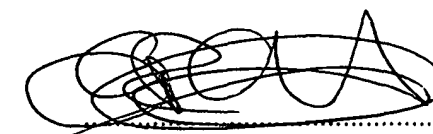
As accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the 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 audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of Governors on 17 December 2019 and signed on their behalf by:


.....
Ms R Beswick
Chair of Governors


.....
Mr G Guest
Accounting Officer


TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of the Trust I have considered my responsibility to notify the Trust board of Governors and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Trust, under the funding agreement in place between the 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 2018.

I confirm that I and the Trust board of Governors are able to identify any material irregular or improper use of all funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook 2018.

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 Governors and ESFA.



Mr G Guest
Accounting Officer
Date: 17 December 2019

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

The Governors (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Governors' report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Governors to prepare financial statements for each financial year. Under company law the Governors 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 Governors are required to:

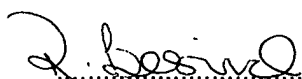
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting 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 Governors 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 Governors are responsible for ensuring that in its conduct and operation the charitable company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from ESFA/DfE have been applied for the purposes intended.

The Governors 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 Governors on 17 December 2019 and signed on its behalf by:


.....
Ms R Beswick
Chair of Governors

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Opinion

We have audited the financial statements of TCAT Multi Academy Trust (the 'Trust') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Trust's affairs as at 31 August 2019 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 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TCAT
MULTI ACADEMY TRUST (CONTINUED)**

Other information

The Governors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Other information includes the Reference and administrative details, the Governors' report including the Strategic report, and the Governance statement. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Governors' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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

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

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

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF TCAT
MULTI ACADEMY TRUST (CONTINUED)**

Responsibilities of trustees

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

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

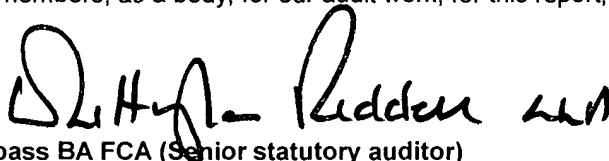
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Malpass BA FCA (Senior statutory auditor)

for and on behalf of

Whittingham Riddell LLP

Chartered Accountants

Statutory Auditors

Belmont House

Shrewsbury Business Park

Shrewsbury

Shropshire

SY2 6LG

Date:

19 December 2019

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO TCAT MULTI
ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 29 August 2019 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by TCAT Multi Academy Trust during the year 1 September 2018 to 31 August 2019 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 TCAT Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to TCAT Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than TCAT Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of TCAT Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of TCAT Multi Academy Trust's funding agreement with the Secretary of State for Education dated 1 September 2015 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 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 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Andrew Malpass BA FCA (Senior statutory auditor)
for and on behalf of

Whittingham Riddell LLP
Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

19 December 2019

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:					
Charitable activities	3	648,177	-	648,177	644,344
Investments	4	20	-	20	27
Total income		648,197	-	648,197	644,371
Expenditure on:					
Charitable activities	5	645,232	833	646,065	668,349
Total expenditure		645,232	833	646,065	668,349
Net movement in funds before other recognised gains/(losses)		2,965	(833)	2,132	(23,978)
Other recognised gains/(losses):					
Actuarial losses on defined benefit pension schemes	19	(55,000)	-	(55,000)	18,000
Net movement in funds		(52,035)	(833)	(52,868)	(5,978)
Reconciliation of funds:					
Total funds brought forward		(90,842)	3,332	(87,510)	(81,532)
Net movement in funds		(52,035)	(833)	(52,868)	(5,978)
Total funds carried forward		(142,877)	2,499	(140,378)	(87,510)

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

The notes on pages 32 to 51 form part of these financial statements.

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 09709935

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	11	2,499	3,332
		<u>2,499</u>	<u>3,332</u>
Current assets			
Debtors	12	12,523	61,725
Cash at bank and in hand		128,386	19,989
		<u>140,909</u>	<u>81,714</u>
Creditors: amounts falling due within one year	13	(110,786)	(75,556)
Net current assets		<u>30,123</u>	<u>6,158</u>
Total assets less current liabilities		<u>32,622</u>	<u>9,490</u>
Net assets excluding pension liability		<u>32,622</u>	<u>9,490</u>
Defined benefit pension scheme liability	19	(173,000)	(97,000)
Total net assets		<u><u>(140,378)</u></u>	<u><u>(87,510)</u></u>

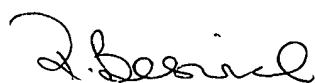
TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Funds of the Trust			
Restricted funds:			
Fixed asset funds	14	2,499	3,332
Restricted income funds	14	30,123	6,158
Restricted funds excluding pension asset	14	32,622	9,490
Pension reserve	14	(173,000)	(97,000)
Total restricted funds	14	(140,378)	(87,510)
Unrestricted income funds	14		
Total funds		(140,378)	(87,510)

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements on pages 28 to 51 were approved by the Governors, and authorised for issue on 17 December 2019 and are signed on their behalf, by:



Ms R Beswick
Chair of Governors

The notes on pages 32 to 51 form part of these financial statements.

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	16	87,397	(26,068)
Cash flows from investing activities	17	21,000	9,835
Change in cash and cash equivalents in the year		108,397	(16,233)
Cash and cash equivalents at the beginning of the year		19,989	36,222
Cash and cash equivalents at the end of the year	18	<u>128,386</u>	<u>19,989</u>

The notes on pages 32 to 51 form part of these financial statements

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Trust, which is a public benefit entity under FRS 102, have been prepared under the historic 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 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

TCAT Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Governors 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 Trust to continue as a going concern. The Governors 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 Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the 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 incoming resources are recognised when the Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

• **Grants**

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

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

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

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 Taxation

The 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 Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Part 11, chapter 3 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.

1.7 Tangible fixed assets

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 and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.7 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

Furniture and equipment - 20% 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.

1.8 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.

1.9 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.

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1.11 Provisions

Provisions are recognised when the Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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.

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**NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 12. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 13. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.13 Pensions

The Trust operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Trust to the fund in respect of the year.

Retirement benefits to employees of the Trust 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 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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is 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 multi-employer scheme and the assets are held separately from those of the Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of financial activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

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NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.14 Fund accounting

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 19, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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.

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3. Funding for the academy's educational operations

	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	484,032	484,032	488,921
Student Support Services	86,517	86,517	77,141
Other DfE / ESFA Grant Income	27,523	27,523	43,885
Pupil Premium	32,569	32,569	29,148
	<u>630,641</u>	<u>630,641</u>	<u>639,095</u>
Other Government Grants			
Government - Other Grants	17,536	17,536	5,249
	<u>648,177</u>	<u>648,177</u>	<u>644,344</u>
	<u>648,177</u>	<u>648,177</u>	<u>644,344</u>

In 2018 the income from the Trust's educational operations was to restricted funds.

4. Investment income

	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Investment income - local cash	<u>20</u>	<u>20</u>	<u>27</u>

In 2018 the income from investments was to restricted funds.

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**NOTES TO THE FINANCIAL STATEMENTS
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5. Expenditure

	Staff Costs 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Direct costs	334,241	186,201	520,442	550,058
Allocated support costs	30,464	95,159	125,623	118,291
	<u>364,705</u>	<u>281,360</u>	<u>646,065</u>	<u>668,349</u>
<i>Total 2018</i>	<u>336,383</u>	<u>331,966</u>	<u>668,349</u>	

6. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Educational activities	520,442	125,623	646,065	668,349
<i>Total 2018</i>	<u>550,058</u>	<u>118,291</u>	<u>668,349</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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6. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2019 £	Total funds 2018 £
Staff costs	440,237	441,188
Educational Supplies	45,047	43,148
Examination Fees	11,255	10,611
Technology Costs	-	1,450
Educational Consultancy	15,627	52,871
Other costs	8,276	790
	<u>520,442</u>	<u>550,058</u>

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Staff costs	28,806	18,778
Depreciation	833	833
Other Staff Costs	7,063	8,820
Other costs	56,524	57,722
Operating Leases	978	-
Transport	14,619	19,502
Catering	6,172	3,534
Legal and Professional	503	4,802
Audit and Accounting Costs	10,125	4,300
	<u>125,623</u>	<u>118,291</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

7. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Depreciation of tangible fixed assets	833	833
Fees paid to auditors for:		
- audit	5,200	3,500
- audit - prior year under accrued	2,550	-
- other services	1,850	800
	<u>1,850</u>	<u>800</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	384,820	395,471
Social security costs	26,345	24,921
Pension costs	57,878	39,574
	<u>469,043</u>	<u>459,966</u>
Agency staff costs	(105,996)	(130,583)
Staff restructuring costs	1,658	7,000
	<u>364,705</u>	<u>336,383</u>

Staff restructuring costs comprise:

	2019 £	2018 £
Redundancy payments	-	7,000
Other restructuring costs	1,658	-
	<u>1,658</u>	<u>7,000</u>

b. Staff numbers

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

	2019 No.	2018 No.
Teaching staff	5	5
Support staff	5	8
Management	1	-
	<u>11</u>	<u>13</u>

c. Higher paid staff

No employee received remuneration amounting to more than £60,000 in either year.

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Staff costs (continued)

d. Key management personnel

Key management personnel are remunerated through Telford College. This is recharged to the academy via a monthly management charge. Only one member of the key management personnel is remunerated through the Trust. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the academy trust was £56,008 (2018: £Nil).

9. Governors' remuneration and expenses

During the year, no Governors received any remuneration or other benefits (2018 - £NIL).

During the year ended 31 August 2019, no Governor expenses have been incurred (2018 - £NIL).

10. Governors' and Officers' insurance

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

11. Tangible fixed assets

	Furniture and equipment £
Cost or valuation	
At 1 September 2018	4,165
At 31 August 2019	4,165
Depreciation	
At 1 September 2018	833
Charge for the year	833
At 31 August 2019	1,666

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Tangible fixed assets (continued)

	Furniture and equipment £
Net book value	
At 31 August 2019	2,499
At 31 August 2018	3,332

12. Debtors

	2019 £	2018 £
Due within one year		
Other debtors	-	32,285
Prepayments and accrued income	1,068	-
Tax recoverable	11,455	29,440
	<u>12,523</u>	<u>61,725</u>

13. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	-	3,606
Other taxation and social security	12,281	11,127
Accruals and deferred income	98,505	60,823
	<u>110,786</u>	<u>75,556</u>

	2019 £	2018 £
Resources deferred during the year	74,313	-

Included in deferred income are monies received in the year from the Local Authority that are for the 2019/2020 year.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2019 £
Restricted general funds					
Restricted Funds - all funds	6,158	648,197	(624,232)	-	30,123
Pension reserve	(97,000)	-	(21,000)	(55,000)	(173,000)
	<u>(90,842)</u>	<u>648,197</u>	<u>(645,232)</u>	<u>(55,000)</u>	<u>(142,877)</u>
Restricted fixed asset funds					
Restricted fixed asset funds	3,332	-	(833)	-	2,499
Total Restricted funds	<u>(87,510)</u>	<u>648,197</u>	<u>(646,065)</u>	<u>(55,000)</u>	<u>(140,378)</u>

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

Restricted general funds have been utilised for the Academy's educational operation.

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.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

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**NOTES TO THE FINANCIAL STATEMENTS
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14. Statement of funds (continued)

Comparative information in respect of the preceding year is as follows:

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
Restricted general funds						
Restricted Funds - all funds	19,468	644,371	(653,516)	(4,165)	-	6,158
Pension reserve	(101,000)	-	(14,000)	-	18,000	(97,000)
	<u>(81,532)</u>	<u>644,371</u>	<u>(667,516)</u>	<u>(4,165)</u>	<u>18,000</u>	<u>(90,842)</u>
Restricted fixed asset funds						
Restricted fixed asset funds	-	-	(833)	4,165	-	3,332
Total Restricted funds	<u>(81,532)</u>	<u>644,371</u>	<u>(668,349)</u>	<u>-</u>	<u>18,000</u>	<u>(87,510)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	2,499	2,499
Current assets	140,909	-	140,909
Creditors due within one year	(110,786)	-	(110,786)
Provisions for liabilities and charges	(173,000)	-	(173,000)
Total	(142,877)	2,499	(140,378)

Analysis of net assets between funds - prior year

	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	3,332	3,332
Current assets	81,714	-	81,714
Creditors due within one year	(75,556)	-	(75,556)
Provisions for liabilities and charges	(97,000)	-	(97,000)
Total	(90,842)	3,332	(87,510)

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**NOTES TO THE FINANCIAL STATEMENTS
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16. Reconciliation of net income/(expenditure) to net cash flow from operating activities

	2019 £	2018 £
Net income/(expenditure) for the year (as per Statement of financial activities)	2,132	(23,978)
Adjustments for:		
Depreciation	833	833
Decrease/(increase) in debtors	49,202	(31,446)
Increase in creditors	35,230	28,523
Net cash provided by/(used in) operating activities	87,397	(26,068)

17. Cash flows from investing activities

	2019 £	2018 £
Purchase of tangible fixed assets	-	(4,165)
Pension adjustment	21,000	14,000
Net cash provided by investing activities	21,000	9,835

18. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	128,386	19,989
Total cash and cash equivalents	128,386	19,989

19. Pension commitments

The Trust's employees belong to two principal pension schemes: the Teachers' 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 Mercer. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Pension commitments (continued)

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

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities.

In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

Valuation of the Teachers' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

A copy of the latest valuation report can be found by following this link to the Teachers' Pension Scheme website.

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

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19. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £13,000 (2018 - £13,000), of which employer's contributions totalled £9,000 (2018 - £9,000) and employees' contributions totalled £ 4,000 (2018 - £4,000). The agreed contribution rates for future years are 13.5 per cent for employers and 5.5-12.5 per cent 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

	2019 %	2018 %
Rate of increase in salaries	3.5	3.7
Rate of increase for pensions in payment/inflation	2.1	2.3
Discount rate for scheme liabilities	1.8	2.9
Inflation assumption (CPI)	2.0	2.2

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	23.2	23.1
Females	26.4	26.3
<i>Retiring in 20 years</i>		
Males	25.4	25.3
Females	28.7	28.6

Sensitivity analysis

	2019 £000	2018 £000
Discount rate +0.1%	165	92
Mortality assumption - 1 year increase	177	99
CPI rate +0.1%	180	101

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**NOTES TO THE FINANCIAL STATEMENTS
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19. Pension commitments (continued)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	27,000	21,000
Property	3,000	2,000
Cash and other liquid assets	1,000	1,000
Other	13,000	8,000
Other bonds	12,000	9,000
Total market value of assets	56,000	41,000

The actual return on scheme assets was £2,000 (2018 - £2,000).

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

	2019 £	2018 £
Current service cost	19,000	20,000
Past service cost	8,000	-
Finance charge	3,000	3,000
Total amount recognised in the Statement of Financial Activities	30,000	23,000

Changes in the present value of the defined benefit obligations were as follows:

	2019 £	2018 £
At 1 September	138,000	128,000
Interest cost	4,000	4,000
Actuarial losses/(gains)	56,000	(18,000)
Past service costs	8,000	-
Current service cost	19,000	20,000
Employee contributions	4,000	4,000
At 31 August	229,000	138,000

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19. Pension commitments (continued)

Changes in the fair value of the Trust's share of scheme assets were as follows:

	2019 £	2018 £
At 1 September	41,000	27,000
Interest income	1,000	1,000
Actuarial gains	1,000	-
Employer contributions	9,000	9,000
Employee contributions	4,000	4,000
At 31 August	56,000	41,000

20. Members' liability

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

21. Related party transactions

Owing to the nature of the Trust's operations and the composition of the board of governors being drawn from local public and private sector organisations, transactions may take place with organisations in which a governors has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Trust's financial regulations and normal procurement procedures.