

Registered number: 09709935

TCAT MULTI ACADEMY TRUST

(T/A KICKSTART ACADEMY)

GOVERNORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

WR

Whittingham Riddell

Chartered accountants

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TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Members

Mr B Tyrer (resigned 14 March 2017)
Mr R Betteridge
Telford College, previously known as Telford College of Arts & Technology (TCAT)
Mr D Gough
Mr N Phillips (appointed 14 March 2017)

Governors

Mr R Austin (resigned 1 September 2016)
Mr A Beckett (appointed 18 October 2016, resigned 31 August 2017)
Mr R Betteridge, Chair and Member
Ms R Brown (appointed 13 December 2016)
Mr G Caldwell (resigned 27 June 2017)
M A Cooke
Ms J Finch (resigned 27 June 2017)
Mr N Griffiths (resigned 14 October 2016)
Mr G Guest, Accounting Officer (appointed 1 September 2017)
Mr J Kirkpatrick (appointed 28 September 2017)
Mrs L Pellowe
Mr N Phillips (appointed 14 March 2017)
Mrs K Roberts (appointed 18 September 2017)
Mr D Rose (resigned 27 June 2017)
Mr A Snowdon
Ms J Stephens (appointed 18 September 2017)
Mr B Tyrer, Member (resigned 14 March 2017)

Company registered number

09709935

Company name

TCAT Multi Academy Trust

Principal and registered office

Telford College of Arts and Technology, Telford, Shropshire, TF1 2NP

Senior management team

Mr David Rose, Chief Executive Officer (resigned 27 June 2017)
Mr Mark Hazelhurst, Deputy Principal
Mr J Kirkpatrick, Executive Headteacher
Mr G Guest, TCAT Principal (from 1 May 2017)
Mr I Clinton, TCAT Principal (to 30 April 2017)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Advisers (continued)

Independent auditors

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

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GOVERNORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

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

The Academy also trades under the name Kickstart Academy.

Structure, governance and management

a. Constitution

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

The charitable company's Memorandum of Association dated 1 September 2015 is the primary governing document of the academy trust.

The Governors of TCAT Multi Academy Trust (the academy) are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Kickstart Academy.

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

The principal activity of the Academy, as set out in the Articles of Association, is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, by establishing, maintaining, carrying on, managing, and developing a school offering a broad curriculum with a strong emphasis on, but in no way limited to engineering, manufacturing, business, and enterprise.

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 Academy with third parties on behalf of Governors.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

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 Academy Directors (Academy 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 Academy'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 academy and its pupils.

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

The term of office for all Governors is 4 years, except for the 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 and procedures 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 Academy 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 Academy and experience its atmosphere and understand its ethos and receive an informal briefing on the Academy 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 2017

f. Organisational structure

The Articles of Association set out the arrangements for the governance and management of the Academy. The Board of Governors is responsible for the overall management and control of the Academy 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 Principal/Executive Head Teacher is 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 Deputy Head Teacher/Interim Head Teacher is responsible for the operational management of the Academy. 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.

Organisational Management

The Governors determine the general policy of the Academy. The day-to-day running of the Academy is delegated to the Principal/Executive Head Teacher, supported by senior staff. The Deputy Head Teacher/Interim Head Teacher undertakes the key leadership role overseeing educational, pastoral and administrative functions. The day-to-day administration of the Academy 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 Academy Funding Agreement and the Articles of Association. There are additional Governor Committees with their own terms of reference and constitution, which are agreed annually at the first meeting of each academic year. There are two committees meeting on this basis – a) Finance & Audit and b) Members.

The Governors delegate the day-to-day operation of the Academy to the Senior Leadership Team, which for the year ended 31 August 2017 comprised the Principal/Executive Head Teacher and the Deputy Head Teacher/Interim Head Teacher. Each has their own particular area of the Academy 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 2017

g. Pay policy for key management personnel

The Governors consider the Board of Governors and the Principal/Executive 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 Academy'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 Academy;
- 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 Principal/Executive 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;
- Publishing an annual prospectus;
- 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/Executive Head Teacher;
- Developing, monitoring and reviewing the Academy's Freedom of Information Publication Scheme; and
- Approving the annual development plan and monitoring the annual Register of Interests.

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

The Vice Principal of TCAT was the Accounting Officer as required by the Funding Agreement with the Department for Education (DfE) to 27 June 2017.

The role of Clerk was undertaken by J.Parker and Y.Chadwick during 2016/17. From January 2018, this is being undertaken by S. Morley, the clerk of the Telford College Corporation.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

h. Connected organisations, including related party relationships

Telford College, previously known as Telford College of Arts & Technology (TCAT), is the sponsor of the Kickstart Academy.

Objectives and Activities

a. Objects and aims

The objects set out in the Articles of Association of the Academy 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 Academy 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 Academy 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 Academy's students. The Academy is committed to providing inclusive support to raise standards for all its students and improving life chances. The Academy 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.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

b. Objectives, strategies and activities

The main objectives for academic year 2016/2017 and the achievements are:

To provide a safe learning environment with timetables that are tailored to individual needs, the academy 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. Activities for achieving objectives

The principal activity of the Academy is to provide free education for students of different abilities between the ages of 15 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 Kickstart Academy provides alternative provision for Key Stage 4 students. Young people educated in the Kickstart alternative provision are among the most vulnerable.

The Academy'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 Academy 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 Academy environment
- The community and wider world
- Healthy lifestyles

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

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

- Each other
- Quality in education and all aspects of Academy 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 Academy 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 Academy, 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

2015 – 2016													
Year 11	E3			L1			L2			GCSE			L1
	ICT	ENG	MA	ICT	ENG	MA	ICT	ENG	MA	ENG	MATH	ART	Work skills
No. Candidates entered	19	19	19	10	8	9	0	2	5	12	12	10	18
NO. Achieved	17	17	19	10	6	7	0	1	0	9	11	10	9 Full 8 Part
Achievement rate %	89%	89%	100%	100%	75%	77%	0	50%	0	75%	91%	100%	50% Full 44% Part
% A* - C (GCSE) or Equivalents	————			————			0	50%	0	0%	9%	10%	————
% - D - F (GCSE) or Equivalents	————			100%	75%	77%	————			75%	90%	90%	94%

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

2016 - 2017												
Year 11	E3			L1			L2			GCSE		
	ICT	ENG	MATH	ICT	ENG	M	ICT	ENG	MATH	ENG	MATH	ART
												Full Shrt
No. Candidates entered	14	7	3	8	7	12	0	5	5	13	14	8 4
NO. Achieved	14	7	3	8	7	11	0	5	1			
Achievement rate %	100%	100%	100%	100%	78%	91.6%	0	100%	20%			
% A* - C (9-5) GCSE	0	0	0	0	0	0	0	0	0	0	0	0
% D-F (1-4) GCSE				100%	78%	92.3%	0	100%	20%	61%	50%	100% 75%

d. Public benefit

In setting our objectives and planning our activities the Governors have given careful consideration to the Charity Commission's general guidance on public benefit.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

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

b. Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies.

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 £568K consist entirely of revenue grants from the DfE/ESFA.

The expenditure of £572K consists £478K Direct costs and £94K support costs.

Direct costs £478K represent 84% of total costs and total staff costs £352K are at 61% of total costs. The staff FTE numbers are Teachers 4, Support staff 6, total 10.

The main financial performance indicator is the level of reserves held at the Balance Sheet date. The Academy held fund balances at 31/07/17 of (£82K), £19K excluding LGPS pension liability.

As funding is based on pupil numbers this is also a KPI, pupil numbers for 2016/17 funding were 48 and there were 4 teachers and 6 support staff, 10 in total, Staff: pupil ratio 1:5.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

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 £82K.

The Restricted Reserves, in which the educational activities are accounted, has a deficit of (£82K) in the year, including the LGPS deficit of (£101K) and a surplus of £19K 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.

b. Principal risks and uncertainties

The Academy has a risk management process to assess business risks and to implement risk management strategies. This process involves identifying the types of risk the Academy 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 Academy is aiming for a judgement of 'Good' which will demonstrate that the Academy 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 are in the process of assessing 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 Academy. Systems, policies, procedures and training will be further developed alongside control measures to manage those risks. A review of financial and operational management is to be undertaken during 16-17 to improve and enhance the systems currently in place. The review will include a best value exercise to provide Governors with further assurance that the operational areas of the academy are robust and effective.

The Board of Governors acknowledges that it has overall responsibility for ensuring that its academy 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 Academy Trust and ensure that the financial statements comply with the Companies Act 2006.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

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

- The Academy 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 Academy Trust is reliable
- The Academy Trust complies with relevant laws and regulations.

The Academy'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 Academy
- Open tendering procedures and clear processes for procuring goods and services
- Effective delegation of authority and segregation of duties

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 academy 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 an Academy 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 Academy has a risk register, which is reviewed on a regular basis. The Academy 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 Academy's financial objective is to sustain strong finances with flexible resource management and excellent value for money:

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

The Academy'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 Academy's debtors (being principally government bodies and other schools) and therefore the risk to cash flow is also minimal.

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GOVERNORS' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Plans for future periods

a. Future developments

The Academy 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 Academy 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 Academy 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.

Disclosure of information to auditors

Insofar as the Governors are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Governors have taken all the steps that ought to have been taken as a Governor in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Governors' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 31 January 2018 and signed on its behalf by:


Mr R Betteridge
Chair of Trustees

TCAT MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT

Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the 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 TCAT Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Governors' report and in the Statement of Governors' responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Governor	Meetings attended	Out of a possible
Mr R Austin	0	0
Mr A Beckett	0	0
Mr R Betteridge, Chair and Member	3	4
Ms R Brown	4	4
Mr G Caldwell	2	2
M A Cooke	2	2
Ms J Finch	4	4
Mr N Griffiths	4	4
Mr G Guest, Accounting Officer	0	1
Mr J Kirkpatrick	0	0
Mrs L Pellowe	0	0
Mr N Phillips	3	4
Mrs K Roberts	1	1
Mrs R Brown	0	0
Mr A Snowdon	4	4
Ms J Stephens	1	4
Mr B Tyrer, Member	0	0

Review of Value for Money

The Accounting Officer has responsibility for ensuring the Academy 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.

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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 ongoing process designed to identify and prioritise the risks to the achievement of academy policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in TCAT Multi Academy Trust for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

The Risk and Control Framework

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

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

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

The auditors' role includes giving advice on financial matters and performing a range of checks on the academy'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

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

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GOVERNANCE STATEMENT (continued)

Review of Effectiveness

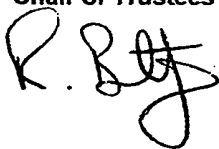
The Accounting Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditors;
- the work of the executive managers within the academy who have responsibility for the development and maintenance of the internal control framework.

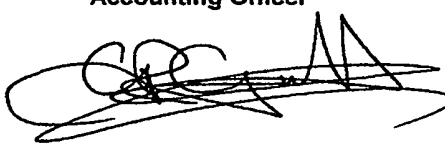
A review of these arrangements will be undertaken in financial year 2017/18 to ensure continuous improvement of the system.

Approved by order of the members of the board of trustees on 31 January 2018 and signed on their behalf, by:

Mr R Betteridge
Chair of Trustees



Mr G Guest
Accounting Officer



TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

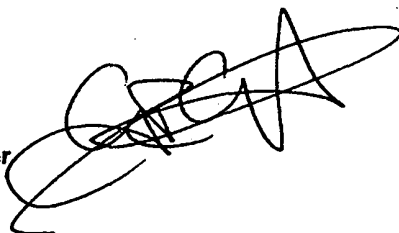
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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

Mr G Guest
Accounting Officer



TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF GOVERNORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017**

The Governors (who act as governors of TCAT Multi Academy Trust and 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 Annual Accounts Direction issued by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the 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:

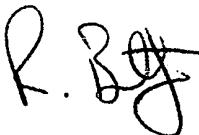
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the 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 trustees on 31 January 2018 and signed on its behalf by:



Mr R Betteridge
Chair of Trustees

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 'academy') for the year ended 31 August 2017 which comprise the Statement of financial activities incorporating income and expenditure account, 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 2016 to 2017 issued by the Education and Skills Funding Agency.

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

In our opinion the financial statements:

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

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. 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 which the financial statements are prepared is consistent with the financial statements.
- the Governors' Report and the Strategic Report has 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 academy 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' remunerations specified by law 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**

Responsibilities of trustees

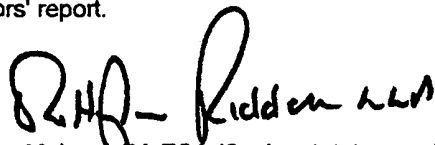
As explained more fully in the Statement of Governors' responsibilities, the Governors (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such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



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:

2 February 2018

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO TCAT MULTI ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY

In accordance with the terms of our engagement letter dated September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by TCAT Multi Academy Trust during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to 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 the 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 the 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 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

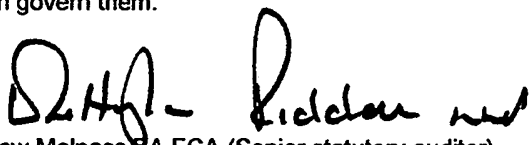
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have 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

Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

2 February 2018

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
INCOME FROM:				
Donations and capital grants	2	-	-	(53,000)
Charitable activities	3	568,180	568,180	709,564
TOTAL INCOME		568,180	568,180	656,564
EXPENDITURE ON:				
Charitable activities		572,367	572,367	705,910
TOTAL EXPENDITURE		572,367	572,367	705,910
NET EXPENDITURE BEFORE OTHER RECOGNISED GAINS AND LOSSES				
Actuarial gains/(losses) on defined benefit pension schemes	17	(4,187) 18,000	(4,187) 18,000	(49,346) (46,000)
NET MOVEMENT IN FUNDS		13,813	13,813	(95,346)
RECONCILIATION OF FUNDS:				
Total funds brought forward		(95,346)	(95,346)	-
TOTAL FUNDS CARRIED FORWARD		(81,533)	(81,533)	(95,346)

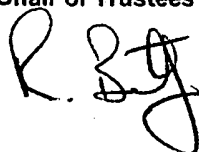
TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 09709935

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
CURRENT ASSETS					
Debtors	11	30,278		63,032	
Cash at bank and in hand		36,222		(6,855)	
		<u>66,500</u>		<u>56,177</u>	
CREDITORS: amounts falling due within one year	12	<u>(47,033)</u>		<u>(48,523)</u>	
NET CURRENT ASSETS			<u>19,467</u>		<u>7,654</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>19,467</u>		<u>7,654</u>
Defined benefit pension scheme liability	17		<u>(101,000)</u>		<u>(103,000)</u>
NET LIABILITIES INCLUDING PENSION SCHEME LIABILITIES			<u><u>(81,533)</u></u>		<u><u>(95,346)</u></u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds excluding pension liability		19,467		7,654	
Pension reserve		<u>(101,000)</u>		<u>(103,000)</u>	
Total restricted income funds			<u><u>(81,533)</u></u>		<u><u>(95,346)</u></u>
TOTAL DEFICIT			<u><u>(81,533)</u></u>		<u><u>(95,346)</u></u>

The financial statements on pages 25 to 42 were approved by the Governors, and authorised for issue, on 31 January 2018 and are signed on their behalf, by:

Mr R Betteridge
Chair of Trustees



TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	15	27,077	(63,855)
Pension adjustment		16,000	57,000
Net cash provided by investing activities		16,000	57,000
Change in cash and cash equivalents in the year		43,077	(6,855)
Cash and cash equivalents brought forward		(6,855)	-
Cash and cash equivalents carried forward	16	36,222	(6,855)

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

TCAT Multi Academy Trust constitutes a public benefit entity as defined by 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 academy 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 academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

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

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

Sponsorship income provided to the academy which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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

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. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities are costs incurred on the academy's educational operations, including support costs and those costs relating to the governance of the academy appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 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.

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.6 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.

1.7 Liabilities and provisions

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

1.8 Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy and their measurement basis 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 11. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. 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 costs as detailed in note 12. 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 instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment.

1.9 Taxation

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

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.10 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 17, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.11 Fund accounting

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

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

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

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 17, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Pension transfer	-	-	(53,000)
	<hr/>	<hr/>	<hr/>
Total 2016	(53,000)	(53,000)	
	<hr/>	<hr/>	

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants			
GAG	493,860	493,860	495,527
Other ESFA Grants	51,766	51,766	43,630
Other Start Up Grants	-	-	148,883
DFC Income	5,148	5,148	-
Additional DSG	8,954	8,954	-
	<u>559,728</u>	<u>559,728</u>	<u>688,040</u>
Other government grants			
LA Income	8,391	8,391	18,044
	<u>8,391</u>	<u>8,391</u>	<u>18,044</u>
Other funding			
Miscellaneous Income	61	61	3,480
	<u>61</u>	<u>61</u>	<u>3,480</u>
	<u>568,180</u>	<u>568,180</u>	<u>709,564</u>
Total 2016	<u>709,564</u>	<u>709,564</u>	

TCAT MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

4. DIRECT COSTS

	Educational Activities £	Total 2017 £	Total 2016 £
Educational Supplies & Services	37,212	37,212	18,587
Exam Fees	3,459	3,459	2,627
Repairs & Maintenance	-	-	66,196
Premises Costs	54,995	54,995	74,645
Computing Costs & Licences	1,197	1,197	3,958
External Tuition	41,728	41,728	74,304
Wages and salaries	271,392	271,392	192,328
National insurance	21,733	21,733	17,061
Pension cost	46,327	46,327	28,501
	<u>478,043</u>	<u>478,043</u>	<u>478,207</u>
<i>At 31 August 2016</i>	<u>478,207</u>	<u>478,207</u>	

5. SUPPORT COSTS

	Educational Activities £	Total 2017 £	Total 2016 £
Pension income	3,000	3,000	2,000
Staff Development & Training	1,650	1,650	2,503
Other Staff Costs	127	127	-
Repairs & Maintenance	-	-	3,035
Vehicle Costs	1,107	1,107	463
Insurance	960	960	1,067
Computing Costs & Licences	4,891	4,891	10,882
Printing, Stationery & Other Office	2,498	2,498	-
Other	5,399	5,399	117
Legal & Professional	22,743	22,743	23,214
Governance	25	25	7,000
Bank charges	416	416	292
Staff recharge costs	38,956	38,956	158,691
Wages and salaries	10,692	10,692	14,699
National insurance	729	729	2,210
Pension cost	1,131	1,131	1,530
	<u>94,324</u>	<u>94,324</u>	<u>227,703</u>
<i>At 31 August 2016</i>	<u>227,703</u>	<u>227,703</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

6. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Auditors' remuneration - audit	4,100	4,000
Auditors' remuneration - other services	1,600	1,500
	<u>5,700</u>	<u>5,500</u>

7. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	249,464	207,027
Social security costs	22,462	19,271
Operating costs of defined benefit pension schemes	47,458	30,031
	<u>319,384</u>	<u>256,329</u>
Supply teacher costs	32,620	-
	<u>352,004</u>	<u>256,329</u>

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

	2017 No.	2016 No.
Teaching staff	4	4
Support staff	6	7
	<u>10</u>	<u>11</u>

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

During the year no key management personnel received remuneration from the Trust (2016: Nil).

8. GOVERNORS' REMUNERATION AND EXPENSES

During the year ended 31 August 2017, no Governors received any remuneration (2016 - £NIL).

During the year ended 31 August 2017, no Governors received any reimbursement of expenses (2016 - £NIL to Governors).

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9. GOVERNORS' AND OFFICERS' INSURANCE

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

10. OTHER FINANCE INCOME

	2017 £	2016 £
Interest on pension scheme liabilities	(3,000)	(2,000)

11. DEBTORS

	2017 £	2016 £
Debtors	-	3,480
VAT repayable	23,095	31,427
Other debtors	7,183	28,125
	<u>30,278</u>	<u>63,032</u>

12. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Other taxation and social security	4,026	733
Other creditors	2,536	9,583
Accruals and deferred income	40,471	38,207
	<u>47,033</u>	<u>48,523</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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13. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2017 £
Restricted funds					
Restricted Funds - all funds	7,654	568,180	(556,367)	-	19,467
Pension reserve	(103,000)	-	(16,000)	18,000	(101,000)
	<u>(95,346)</u>	<u>568,180</u>	<u>(572,367)</u>	<u>18,000</u>	<u>(81,533)</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2015 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2016 £
Restricted funds					
Restricted Funds - all funds	-	709,564	(701,910)	-	7,654
	-	(53,000)	(4,000)	(46,000)	(103,000)
	<u>-</u>	<u>656,564</u>	<u>(705,910)</u>	<u>(46,000)</u>	<u>(95,346)</u>
Total of funds	<u>-</u>	<u>656,564</u>	<u>(705,910)</u>	<u>(46,000)</u>	<u>(95,346)</u>

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

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

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

Pension reserve relates to the valuation of the Local Government Pension Scheme and represents the various movements in the valuation of this during the year.

Under the funding agreement with the Secretary of State, the Academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

14. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Restricted funds 2017 £	Total funds 2017 £
Current assets	66,500	66,500
Creditors due within one year	(47,033)	(47,033)
Provisions for liabilities and charges	(101,000)	(101,000)
	<u>(81,533)</u>	<u>(81,533)</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Restricted funds 2016 £	Total funds 2016 £
Current assets	56,177	56,177
Creditors due within one year	(48,523)	(48,523)
Provisions for liabilities and charges	(103,000)	(103,000)
	<u>(95,346)</u>	<u>(95,346)</u>

15. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2017 £	2016 £
Net expenditure for the year (as per Statement of Financial Activities)	(4,187)	(49,346)
Adjustment for:		
Decrease/(increase) in debtors	32,754	(63,032)
(Decrease)/increase in creditors	(1,490)	48,523
Net cash provided by/(used in) operating activities	<u>27,077</u>	<u>(63,855)</u>

16. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	36,222	(6,855)
Total	<u>36,222</u>	<u>(6,855)</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. PENSION COMMITMENTS

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £17,154 (2016 - £20,000).

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**NOTES TO THE FINANCIAL STATEMENTS
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17. PENSION COMMITMENTS (continued)

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £12,685 (2016 - £11,100), of which employer's contributions totalled £9,023 (2016 - £7,976) and employees' contributions totalled £3,662 (2016 - £3,124). The agreed contribution rates for future years are 13.5% for employers and 5.5-12.5% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.20 %
Rate of increase in salaries	3.70 %	3.40 %
Rate of increase for pensions in payment / inflation	3.70 %	3.40 %
Inflation assumption (CPI)	2.20 %	1.90 %

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

	2017	2016
Retiring today		
Males	23	23.9
Females	26.2	26.4
Retiring in 20 years		
Males	25.2	26.2
Females	28.5	29.2

	At 31 August 2017 £	At 31 August 2016 £
Sensitivity analysis		
Discount rate +0.1%	124,000	111,000
Mortality assumption - 1 year increase	131,000	117,000
CPI rate +0.1%	133,000	119,000

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17. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	15,000	7,000
Other bonds	6,000	2,000
Other	4,000	2,000
Property	1,000	-
Cash and other liquid assets	1,000	1,000
Total market value of assets	27,000	12,000

The actual return on scheme assets was £3,000 (2016 - £1,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2017 £	2016 £
Current service cost	(22,000)	(10,000)
Interest cost	(3,000)	(2,000)
Total	(25,000)	(12,000)

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

	2017 £	2016 £
Opening defined benefit obligation	115,000	-
Current service cost	22,000	10,000
Interest cost	3,000	2,000
Employee contributions	4,000	3,000
Actuarial (gains)/losses	(16,000)	47,000
Past service costs	-	53,000
Closing defined benefit obligation	128,000	115,000

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NOTES TO THE FINANCIAL STATEMENTS
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17. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening fair value of scheme assets	12,000	-
Actuarial losses	2,000	1,000
Employer contributions	9,000	8,000
Employee contributions	4,000	3,000
	<hr/>	<hr/>
Closing fair value of scheme assets	27,000	12,000
	<hr/>	<hr/>

18. 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.

19. RELATED PARTY TRANSACTIONS

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

During the year there have not been any related party transactions.