

**Report of the Trustees and**  
**Financial Statements For The Year Ended 31 August 2017**  
**for**  
**Accord Multi Academy Trust**



Allotts Business Services Ltd, Statutory Auditor  
Chartered Accountants  
The Old Grammar School  
13 Moorgate Road  
Rotherham  
South Yorkshire  
S60 2EN

**Accord Multi Academy Trust**

**Contents of the Financial Statements**  
**For The Year Ended 31 August 2017**

	Page
Reference and Administrative Details	1
Report of the Trustees	2 to 7
Governance Statement	8 to 11
Statement on Regularity, Propriety and Compliance	12
Statement of Trustees Responsibilities	13
Report of the Independent Auditors	14 to 15
Independent Accountant's Report on Regularity	16
Statement of Financial Activities	17
Balance Sheet	18
Cash Flow Statement	19
Notes to the Cash Flow Statement	20
Notes to the Financial Statements	21 to 36

**Accord Multi Academy Trust**

**Reference and Administrative Details**  
**For The Year Ended 31 August 2017**

<b>MEMBERS</b>	R T A Dennett (appointed 1.9.2016) K Speirs (appointed 1.12.2016) G Howarth (appointed 27.11.2017) J Ruane B Kelly K Darch (resigned 1.12.2016)	
<b>TRUSTEES</b>	B Kelly (Chair) J Ruane (Vice Chair) (resigned 3.7.2017) K Darch (resigned 31.1.2017) A Warboys (Principal and Accounting Officer) R T A Dennett (appointed 1.9.2016) J Leam (appointed 1.9.2016) D Dickinson (appointed 1.9.2016) J E Curtin (appointed 1.12.2016) L Cramphorn (appointed 1.12.2016) N P Adams (appointed 22.5.2017)	
<b>HEADTEACHER GROUP</b>	A Warboys (Principal Ossett Academy) M Oakley (Headteacher Horbury Academy) A Covey (Headteacher Horbury Primary Academy) J Tomlinson (Headteacher Middlestown Primary Academy) S Broome (Associate Principal Ossett Academy)	
<b>CENTRAL OPERATIONS TEAM (MAT SENIOR LEADERSHIP TEAM)</b>	A Warboys (Chief Executive Officer and Accounting Officer – appointed 1.9.2016) A D'Arcy (Director of Finance – appointed 1.9.2016) K Stringer (Director of Business, Operations & Compliance – appointed 1.9.2016) S Thompson (Director of ICT – appointed 1.9.2016) T Nash (HR Lead – appointed 1.9.2016)	
<b>REGISTERED OFFICE</b>	Storrs Hill Road Ossett West Yorkshire WF5 0DG	
<b>REGISTERED COMPANY NUMBER</b>	07484308 (England and Wales)	
<b>ACADEMIES OPERATED</b>	<b>LOCATION</b>	<b>PRINCIPAL/ HEADTEACHER</b>
Ossett Academy & Sixth Form College	Storrs Hill Road, Ossett	A Warboys
Horbury Academy	Wakefield Road, Horbury	M Oakley
Horbury Primary Academy	Northfield Lane, Horbury	A Covey
Middlestown Primary Academy	Cross Road, Middlestown	J Tomlinson
<b>AUDITORS</b>	Allotts Business Services Ltd, Statutory Auditor Chartered Accountants The Old Grammar School 13 Moorgate Road Rotherham South Yorkshire S60 2EN	
<b>SOLICITORS</b>	Browne Jacobson Castle Meadow Road Nottingham NG2 1BJ	
<b>BANKERS</b>	Lloyds Bank plc 17 Westgate Wakefield WF1 1JZ	

**Accord Multi Academy Trust**  
**Report of the Trustees**  
**For The Year Ended 31 August 2017**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period ended 31 August 2017. The annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Accord Multi Academy Trust (MAT) was established on 1 September 2016 with Ossett Academy & Sixth Form College and Horbury Academy.

- Ossett Academy and Sixth Form College for students aged 11 to 18, serving the catchment area of Ossett. The Academy has a student capacity of 2,050 (comprising 1,550 students in main school and 500 students in sixth form) and had a roll of 1,671 in the school census on 18 May 2017.
- Horbury Academy for students aged 11-16, serving the catchment area of Horbury. The Academy has a student capacity of 1,050 and had a roll of 1,035 in the school census on 18 May 2017.

On 1 December 2016 Horbury Primary Academy and Middlestown Primary Academy joined the Accord MAT.

- Horbury Primary Academy for students aged 3-11, serving the catchment area of Horbury. The Academy has a student capacity of 420 and had a roll of 416 in the school census on 18 May 2017.
- Middlestown Primary Academy for students aged 3-11, serving the catchment area of Middlestown. The Academy has a student capacity of 235 and had a roll of 223 in the school census on 18 May 2017.

## **OBJECTIVES AND ACTIVITIES**

### **Objectives and aims**

The object of the Academy Trust, as set out in its articles of association, is specifically restricted to: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

The Academy Trust aims are as follows:-

- To be a dynamic learning community that promotes enjoyment, opportunities and friendship.
- To promote excellence by inspiring students to realise their full potential, achieve high standards and have the courage to accept new challenges.
- To maintain a safe, caring and healthy environment for all which creates hopes, dreams and aspirations.
- To develop life-long learners with the skills and determination to succeed in an ever changing technological world.
- To develop self-awareness and tolerance towards others with different cultures and beliefs.
- To create responsible members of a local, national and international community who promote equality and respect and understand the value for our environment and its future.

The Trust's vision is to work in one 'Accord - Celebrating the differences of each Academy through strong collaboration in order to inspire all members of our learning community to be the best they can be'.

Each Accord Academy works on the following key principles:

- Ambitious for our children and staff.
- Create a positive climate and ethos for learning and success.
- Collaborate across the MAT and beyond to secure the best learning experiences for children and staff.
- Open its doors to parents, carers and be fully inclusive.
- Resilient, and develop in children and staff, a mind set for success.
- Dynamic, reflective learning communities.

### **Objectives, Strategies and Activities**

The Central Operations Team, along with the Trustees, completed the Strategic Plan for 2016/17 setting out vision for Academy Education Improvement across the Accord MAT during its first year of operation.

Some of the main areas of the plan covered during the 2016/17 Academic year were:

- That high quality teaching leads to pupils / students in each phase of education making at least 'good' progress relative to their starting points.
- That any gaps identified for vulnerable pupils / student groups are closing at a quicker rate than that found nationally.
- That curriculum provision and enrichment leads to wider educational experience that prepares all pupils/students for life-long learning and the challenges of life in modern Britain.

There has been some marked progress during the first year of operation of the Accord MAT across areas identified within the strategic plan with targeted areas of priority arising from educational outcomes in 2017 incorporated moving forward.

**Accord Multi Academy Trust**  
**Report of the Trustees**  
**For The Year Ended 31 August 2017**

**OBJECTIVES AND ACTIVITIES**

**Public benefit**

The Trustees of the Academy Trust have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers. The principal public benefit delivered by the Academy Trust is the provision of a high-quality education to students, in line with the articles of association, as evidenced below.

**STRATEGIC REPORT**

**Achievement and performance**

The Accord MAT began operation in September 2016 with two secondary Academies and grew to incorporate 2 further primary Academies in December 2016. The Central Operations Team has been in place since the formation of the Trust and is providing a key role in supporting Academy operations in order to improve provision and to raise standards.

**Key Performance Indicators**

The Trust set out the following Key Performance Indicators (KPI's) for the Academic year 2016 /17.

Education KPI's - Secondary outcomes 2017 (Un-validated)

	<b>Ossett Academy &amp; Sixth Form</b>		<b>Horbury Academy</b>
<b>Performance indicator GCSE</b>	<b>College</b>		
4+ in English & Maths	77%		72%
5+ in English & Maths	60%		47%
Attainment 8	51.72		46.75
Progress 8	0.06		-0.14
% Ebacc	21.21%		30%

<b>Performance Indicator Post 16 A Level</b>	<b>2017 Results Ossett Academy &amp; Sixth Form College</b>
Average Points Score per A Level Entry	26.64
Average A Level Grade	C-
Average Points Score per Vocational Entry	56.38
Average Vocational Grade	D*
Academic Value Added Score	-0.15
Vocational Value Added Score	0.69

<b>Performance indicator</b>	<b>Horbury Primary Academy</b>		<b>Middlestown Primary Academy</b>	
UEYFS GLD	77%		72%	
Y1 Phonics	92%		93%	
	<b>EXP</b>	<b>GD</b>	<b>EXP</b>	<b>GD</b>
Year 2 - Reading	77%	17%	90%	45%
Year 2 - Writing	68%	17%	81%	32%
Year 2 - Maths	75%	21%	84%	39%
Year 2 - Combined Reading, Writing and Maths	64%	11%	81%	26%
	<b>EXP</b>	<b>GD</b>	<b>EXP</b>	<b>GD</b>
Year 6 - Reading	75%	25%	74%	22%
Year 6 - Writing	81%	14%	81%	22%
Year 6 - Maths	74%	18%	74%	19%
Year 6 - GPS	79%	32%	81%	7%
Year 6 - Combined Reading, Writing and Maths	61%	7%	61%	11%
Year 6 - Progress Score Reading		-1.8		-2.0
Year 6 - Progress Score Writing		-1.4		-0.9
Year 6 - Progress Score Maths		-2.5		-2.7

**Ofsted Inspection Outcomes**

The latest OFSTED judgements are as follows:

	<b>Date of Inspection</b>	<b>Judgement</b>
Ossett Academy & Sixth Form College	September 2013	Good
Horbury Academy	January 2016	Good
Horbury Primary Academy	May 2013	Good
Middlestown Primary Academy	March 2015	Good

**Going Concern**

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

**Accord Multi Academy Trust**  
**Report of the Trustees**  
**For The Year Ended 31 August 2017**

**STRATEGIC REPORT**

**Financial review**

The majority of the Trust's income is obtained from the ESFA in the form of the General Annual Grant (GAG). The Academies also receive other grants such as pupil premium, sports premium, special needs and early years funding. In accordance with SORP (Statement of Recommended Practice) these items are shown as restricted funding. The Academies also receive unrestricted funds which include facility hire, school to school consultancy and other services.

During the period ended 31 August 2017 the total restricted expenditure (excluding restricted capital expenditure and pension) of £17,112,000 was covered by GAG and other restricted incoming resources. The excess of expenditure over income on GAG for the period was £71,000.

The excess of income over expenditure on unrestricted funds was £1,358,000 for the period including £1,180,000 of funds transferred in from schools and Academies joining the Trust.

**Reserves Policy**

The Trustees of the MAT consider it prudent that the Trust maintains sufficient reserves to meet unexpected expenditure and unforeseen liabilities.

**Increasing the reserves balance**

It is expected that the Academies within the Trust will set a balanced budget for the year. Any forecast in-year surplus will be reviewed by the Board of Directors, Chief Executive Officer and Director of Finance for the Trust to ensure that existing students are not disadvantaged through the retention of excessive reserves.

**Expenditure against the reserves balance**

Any request for expenditure against the reserves balance must be notified by the Academy to the Chief Executive Officer and Director of Finance for the Trust. This will enable the Trust to identify when, and for what reason, it is required to draw upon reserves and can consider what corrective action, if any, needs to be taken.

Any deficit budget that is forecast for the following financial year must be accompanied by a deficit recovery plan to ensure the long term financial stability of the Academy. Planned expenditure against reserves can include, but is not limited to, the following:

- Management against short term fluctuations in income e.g. reduced student numbers.
- Funding of unforeseen expenditure e.g. urgent maintenance work.
- Funding of material capital projects e.g. building improvement works.
- Delivering a robust programme for renewal and replacement of Academy assets e.g. ICT hardware.
- Funding of staffing costs that cannot reasonably be reduced within the required timeframe, up to the point that procedures can be implemented to reduce costs moving forward.
- Funding of redundancy costs/severance payments to facilitate cost reductions moving forward.

**Pooling of reserves**

The Directors maintain that the reserves balance of each Academy will remain with the relevant Academy and will not be pooled by the Trust. Any reserves that are accumulated in the Trust will be spent at the discretion of the Directors.

At 31st August 2017, the Trust held £1,752,000 in unrestricted free reserves and £956,000 in restricted GAG reserves. The Trustees believe that these funds are sufficient for future operational requirements.

The deficit in the Local Government Pension Scheme (LGPS) of £3,675,000 is recognised in the balance sheet as per the requirements of FRS102. The pension deficit is not expected to have any material impact on the financial viability of the organisation.

**Investment Policy**

The funds of the Academy are held in current accounts. Investments are currently restricted to treasury and deposit accounts with the Trusts' bankers.

Any interest is returned to the Academy as unrestricted income. Decisions on how much to invest and how long to invest for will be based on operational requirements, and demonstrated by cash flow forecasts produced by the Academy and reviewed by the Director of Finance in conjunction with the Chief Executive Officer. Investments for a fixed term should not normally exceed one year in order to provide flexibility. A sufficient balance must be held in the current account so that the Academy's financial commitments can always be met without the bank account going overdrawn. The size of the balance required in the current account will be determined by a forecast of future need and kept under review.

**Accord Multi Academy Trust**  
**Report of the Trustees**  
**For The Year Ended 31 August 2017**

**STRATEGIC REPORT**

**Principal risks and uncertainties**

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to governance, statutory compliance, finance, educational outcomes, health and safety, organisation, operations, safeguarding, reputation, Human Resources and ICT. Identified key areas of potential risk facing the Trust are:

- Financial - the Trust has considerable reliance on continued Government funding through the ESFA. Whilst the funding is expected to continue, there is no assurance that Government policy will remain the same into the future and that public funding will continue at the same level or on the same terms.
- Failures in governance / operations - the risk in this area arises from potential failure to manage the Trust's finances, internal controls, statutory compliance etc. The Trustees continue to review all potential risks in this respect and ensure that appropriate measures are in place to mitigate these risks.
- Reputational - the continuing success of the Trust is dependent on securing sustained improvement and strong educational outcomes in each of its Academies and that no Academy is graded less than 'good' by Ofsted. To mitigate this risk Trustees ensure that educational provision and outcomes are closely monitored through a termly cycle of quality assurance with standards moderated by an external body.
- Safeguarding - the Trustees set out their expectations regarding safeguarding within the Governance Handbook, scheme of delegation and in the Safeguarding statement. Trustees continue to expect the highest standards are maintained in selection and monitoring of staff, the operation of child protection policies and procedures, health and safety and discipline within the Academies.
- Staffing / Human Resources - the success of the Trust is reliant upon the quality of its staff and so the Trustee's monitor and review the extent to which the Trust and individual Academies ensure the continued training and development of staff whilst also seeking to ensure clear lines of succession planning.

The Trust continues to strengthen its risk management process through the review of a multi-tier risk register.

The Trust's dealings with financial instruments are limited to treasury accounts, bank accounts, creditors and debtors. 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.

Reference is also made to the Local Government defined benefit pension scheme which shows a deficit of £3,675,000. The Academy Trust has set aside each year a contribution to the deficit. The amount paid for 2016/17 was £22,600.

**PLANS FOR FUTURE PERIODS**

The Trust intends to continue working with its appointed Academy Improvement Partner to improve educational provision and opportunities for young people, and intends to continue to work collaboratively within existing Trust arrangements with other schools / Academies locally and regionally, whilst also pursuing opportunities across the Accord MAT.

The Trust will consider further opportunities for growth over the forthcoming Academic year by maintained schools and / or established Academies joining the MAT in line with its current growth plan.

**STRUCTURE, GOVERNANCE AND MANAGEMENT**

**Constitution**

The Accord Multi Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's memorandum and articles of association are the primary governing documents of the Trust.

Details of the Trustees who served throughout the period are included in the Reference and Administrative Details on page 1.

**Members' liability**

Each member of the Charitable Company undertakes to contribute to the assets of the 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.

**Trustees' Indemnities**

A Trustee may benefit from any indemnity insurance purchased at the Trust's expense to cover the liability of Trustees which by virtue of any law would otherwise attach to them in respect of any negligence, default or breach of Trust or breach of duty of which they may be guilty in relation to the Trust. The cost of this insurance is included in the total insurance cost and provides cover up to £10m during any one year.

**Recruitment and appointment of new Trustees**

The articles of association state that the number of Trustees shall be not less than three but shall not be subject to any maximum. Each Trustee (excluding any post which is held ex officio) will serve a term of four years. Subject to remaining eligible to be a particular type of Trustee, any Trustee may be reappointed or re-elected. The Trust shall have the following Trustees, provided that the total number of Trustees, including the CEO, who are employees of the Academy Trust shall not exceed one third of the total number of Trustees:

## **Accord Multi Academy Trust**

### **Report of the Trustees** **For The Year Ended 31 August 2017**

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

- up to 7 Trustees appointed by the members
- a minimum of 2 parent Trustees in the event that no Local Governing Bodies are established or if no provision is made for at least 2 parent local governors on each established Local Governing Body
- any number of co-opted Trustees appointed by Trustees who have not themselves been so appointed.

#### **Organisational structure**

The Board of Directors is the main Governing Body for the Trust and is accountable for the actions of all elements of the Trust including Academy performance and financial probity. The Trustees meet four times per year. Their roles and responsibilities are as stipulated in the Academy Funding Agreement and Articles of Association.

The Trust Board is required to form the following committees, each with their own terms of reference.

Finance Committee - This committee has no fewer than three members and meets no less than three times per year. The committee presents minutes of all its meetings to the full Board. The role of the committee is to assist the Board in its on-going oversight of the Trust's arrangements for budgeting, financial planning, financial performance and financial reporting in response of both revenue and capital activities.

Audit Committee - This committee has no fewer than three members and meets no less than three times per year. This committee presents minutes of its meetings to the full Board. The role of the committee is to assess the scope and effectiveness of the systems established by management to identify, assess, manage and monitor financial and non-financial risks to the Trust. It also maintains an oversight of the Trusts' governance, internal control, financial reporting and value for money frameworks in order to establish levels of compliance throughout the Trust.

Remuneration Committee - This committee has no fewer than three members and considers central MAT personnel and Principal/Headteacher pay. It meets once per year and reports its decisions to the full Board.

The Trustees delegate the day to day operation of each Academy to the Principal/Headteacher, supported by their Senior Leadership Team in line with the Governance Handbook and scheme of delegation.

#### **Induction and training of new Trustees**

The Trustees purchased a Wakefield LA Governor Training package for 2016-17 which provides a full range of training for new and established Trustees. Training and induction for each new Trustee will depend on their existing experience. All Trustees are provided with access to copies of policies, procedures, minutes, accounts, budgets, plans and other information as required to enable them to fulfil their role as Trustees.

#### **Key management remuneration**

The Trust's Pay Policy is currently under review and provides details for the setting and determination of pay at each Academy within the Trust for teaching members of staff including the Senior Leadership Team and the Principal/Headteacher. Arrangements for setting pay and remuneration for the Principal/Headteacher and MAT Central Operations Team are facilitated by the MAT remuneration committee.

#### **Connected Organisations**

##### **Ossett Academy and Sixth Form College**

- Ossett Academy and Sixth Form College is part of the Wakefield Learning Community and is also an Associate Member of Education Ossett Community Trust, which is an Educational Trust comprising of nine schools geographically located within the town of Ossett. Additional partners to this Trust also include Jacobs Engineering, Leeds Metropolitan University and Neils Larson. The Trust objectives are to ensure a "first class entitlement for all" and work to ensure common aims and experiences for the children of Ossett.
- Ossett Academy and Sixth Form College is also a member of Ossett Community Trust, which comprises of the Academy and South Ossett Infants' Academy.

##### **Horbury Academy**

- Horbury Academy is part of Wakefield Central Learning Community, the Horbury Primary/Secondary Pyramid (of which Horbury Primary Academy and Middleton Primary Academy are also members) and is a strategic partner in the Wakefield Regional Teaching Alliance.

#### **FUNDS HELD AS CUSTODIAN FOR OTHERS**

The Trust and its Trustees do not act as the custodian Trustees of any other charity.



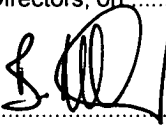
**Accord Multi Academy Trust**

**Report of the Trustees**  
**For The Year Ended 31 August 2017**

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the Trustees are aware, there is no relevant information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each Trustee has taken all the steps that they ought to have taken as a Trustee in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information.

Report of the Trustees, incorporating a strategic report, approved by order of the Board of Trustees, as the company Directors, on 11/12/2017 and signed on the Board's behalf by:



B Kelly - Chair

**Accord Multi Academy Trust**  
**Governance Statement**  
**For The Year Ended 31 August 2017**

**Scope of Responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Accord 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 of loss.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Accord 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 Report of the Trustees and in the Statement of Trustees Responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
B Kelly	4	4
J Ruane	0	0
K Darch	0	0
A Warboys	4	4
D Dickinson	2	4
R T A Dennett	2	4
J Leam	3	4
J Curtin	3	4
L Cramphorn	4	4
N Adams	1	1

Since forming the Multi Academy Trust there has been a transition from what were the Trustees of the stand-alone Trust to the Members and Directors of the Multi Academy Trust. In making this transition a new appointment of a Non-Executive Director was made through the Academy Ambassadors Programme which has added further capacity to the Board of Directors during the year. It is envisaged that a further appointment will be made at Non-Executive Director level during the 2017-18 academic year to fill a vacancy, again via the Academy Ambassadors Programme.

Whilst the recruitment process to the Board of Directors took into consideration the requisite skills audit from the National Governors Association template, it is envisaged that a full self-evaluation will be undertaken at the point that the Board is fully formed in the 2017-18 academic year. Training and development opportunities will be provided in relation to any gaps of knowledge, understanding and skills that are identified.

In addition to the formal Board of Director and sub-committee meetings, the Directors have also participated in activities across the Trust and visits to Academies. Notably, two Directors regularly attend the termly Academy Keep in Touch meetings that are held by the Trust as a vehicle to both support and challenge continued Academy improvement. During the academic year 2016-17, four of the Non-Executive Directors are also Chairs of the Local Governing Bodies (LGB's) and participate in numerous activities including participating in a link visits programme visiting senior staff.

A template for the corporate risk register has been presented to the Audit Committee for consideration and will be developed further during the academic year 2017-18. The original due diligence reports completed for each Academy on conversion during the academic year formed the basis of review through the Keep in Touch meeting process where reports of Educational and Financial risk at Academy level filter through to the Board of Directors to support the assessment of overall risk. External validation of educational provision and standards is also maintained robustly with Academy visits undertaken on a termly basis by an appointed Academy Improvement Partner who is also a current practicing Lead Ofsted Inspector.

The Accord MAT considered the need for a specific internal audit function and a separate resources committee and as a result has established an Audit Committee and a Finance Committee as part of the Trust Governance Structure.

The Finance Committee assists the Board in its on-going oversight of the Trust's arrangements for budgeting, financial planning, financial performance and financial reporting in respect of both revenue and capital activities. This enables more detailed consideration to be given to financial aspects of the Trust and allows Directors to fulfil their responsibilities to ensure sound management of the Trust and Academy's finance and resources. The Finance Committee reviewed detailed budgets, 5 year forecasts, management accounts (including variance analysis) and the budget summary for all Academies identifying any risks with regard to sustainability.

The Audit Committee assess the scope and effectiveness of the systems established by the management to identify, manage and monitor financial and non-financial risks to the Trust. It maintains an oversight of the Trust's governance, internal control, financial reporting and value for money frameworks in order to establish levels of compliance. The

**Accord Multi Academy Trust**  
**Governance Statement**  
**For The Year Ended 31 August 2017**

corporate risk register and audit risk register will be reviewed and developed during the academic year 2017-18. The Committee also receive internal audit reports from TIAA and track the recommendations to ensure implementation in a timely manner as noted in the Risk and Control Framework report.

The approach to the internal and external collection of data by the Trust enables Directors to fully consider all aspects of Trust performance within its committee structure and maintains an external oversight and moderated view in which to challenge and support key aspects of the Trusts performance.

Attendance during the year at meetings of these committees was as follows:

**Audit Committee**

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
D Dickinson	0	2
R T A Dennett	0	2
J Leam	1	2
J Curtin	1	2
L Cramphorn	2	2
N Adams	1	1

**Finance Committee**

<b>Trustee</b>	<b>Meetings attended</b>	<b>Out of a possible</b>
B Kelly	3	3
A Warboys	3	3
D Dickinson	1	3
R T A Dennett	1	3
J Leam	2	3
J Curtin	2	3
L Cramphorn	3	3
N Adams	1	1

**Review of Value for Money**

As Accounting Officer the Chief Executive has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each Academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where available. The Accounting Officer for the Academy Trust has delivered improved value for money during the year by directing resources where they were most needed and most effective as follows:

- Obtaining best value through joint use of resources.
- Seeking opportunities through consolidated purchasing agreements.
- Facilitating deployment of staff across member Academy sites.
- Conducting a detailed review of staffing requirements and making changes to staffing levels as required.
- Working in conjunction with the local authority to assess future admission numbers.
- Year 11 intervention strategies including master classes and holiday revision.
- Reviewing the curriculum opportunities within Sixth Form.

**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 charitable company 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 Accord Multi Academy Trust for the period 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 charitable company 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 on-going process for identifying, evaluating and managing the charitable company's

**Accord Multi Academy Trust**  
**Governance Statement**  
**For The Year Ended 31 August 2017**

**Capacity to Handle Risk**

significant risks that has been in place for the period 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 Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Board of Directors 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 tasks;
- identification and management of risks.

During the year, the Audit Committee appointed TIAA, a specialist provider of internal audit services. The role of TIAA is to work with the Audit Committee to provide an annual plan for internal audit, and to provide internal audit services throughout the year.

The reviews carried out by TIAA in the year were:

**Assurance review of the creditor payment arrangements**

This review considered the arrangements for authorising and paying costs incurred by the Trust across the 4 Academies and the arrangements for control of cheques and automated payments. The review also considered the measures in place to reduce the potential for fraudulent payments to be made as a result of internal or external activity. The scope did not include providing an assurance that the expenditure was necessary or that value for money was achieved from the expenditure committed.

**Assurance review of the payroll arrangements**

This review considered the operation of payroll across the 4 Academies, identifying opportunities for more efficient processes to be adopted where possible and highlighting any significant differences. The review considered:

- The creation, amendment and deletion of payroll records.
- The processes involved in compiling each payroll run
- The authorisation of payroll.
- The payment of salaries.
- Month-end disciplines.
- The reimbursement of travel and subsistence expenses where these are paid through payroll. The scope of the review did not include determination of salary scales, appointment and removal of staff, year-end disciplines or the pension arrangements.

**Assurance review of the scheme of delegation**

This review, commissioned as part of the 16/17 cycle, was undertaken prior to external audit completion in Autumn Term 2017. The review considered the operation of the Trust's financial regulations and delegated authorities. The review considered the extent to which the arrangements support or prevent effective authorisation and decision making, including the point at which any commitment is made. The review identified significant differences in levels and operation and made recommendations for improvements where possible.

No material control issues were identified as a result of the Internal Audit Reviews. The reports from these were presented by TIAA to the Audit Committee.

**Accord Multi Academy Trust**  
**Governance Statement**  
**For The Year Ended 31 August 2017**

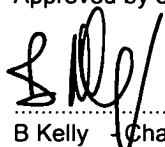
**Review of Effectiveness**

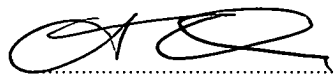
As Accounting Officer, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the Audit Committee;
- the work of the external auditor;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the 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 Trustees on ..... 11/12/2017 ..... and signed on its behalf by:

  
.....  
B Kelly - Chair

  
.....  
A Warboys - Principal and Accounting Officer

**Accord Multi Academy Trust**

**Statement on Regularity, Propriety and Compliance**  
**For The Year Ended 31 August 2017**

As accounting officer of Accord Multi Academy Trust I have considered my responsibility to notify the charitable company 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 charitable company 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 charitable company Board of Trustees are able to identify any material irregular or improper use of all funds by the charitable company, or material non-compliance with the terms and conditions of funding under the charitable company'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.



Alan Warboys - Accounting Officer

Date: 11/12/17

**Accord Multi Academy Trust**

**Statement of Trustees Responsibilities**  
**For The Year Ended 31 August 2017**

The Trustees (who act as governors of Accord Multi Academy Trust and are also the Directors of the charitable company for the purposes of company law) are responsible for preparing the Report of the Trustees 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 Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the Trustees are required to

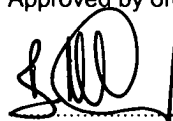
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the Board of Trustees on .....11/12/2017..... and signed on its behalf by:

  
.....  
B Kelly - Chair

**Report of the Independent Auditors to the Members of**  
**Accord Multi Academy Trust**

**Opinion**

We have audited the financial statements of Accord Multi Academy Trust (the 'charitable company') for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and - 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 (ESFA).

This report is made solely to the charitable company'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 company'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 company and the charitable company's 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 charitable company'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;
- have been prepared in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with 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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company'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.

**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our Report of the Independent Auditors 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 Report of the Trustees (incorporating the strategic report and the Directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.



**Report of the Independent Auditors to the Members of**  
**Accord Multi Academy Trust**

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

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

**Responsibilities of Trustees**

As explained more fully in the Statement of Trustees Responsibilities, the Trustees (who are also the Directors of the charitable company 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 Trustees 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 Trustees are responsible for assessing the charitable company'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 Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

**Our 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 a Report of the Independent Auditors 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

<https://www.frc.org.uk/Our-Work/Audit-and-Actuarial-Regulation/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>

This description forms part of our Report of the Independent Auditors.

*Allotts Business Services Ltd*

Mark Garrison BCom FCA DChA (Senior Statutory Auditor)  
for and on behalf of Allotts Business Services Ltd, Statutory Auditor  
Chartered Accountants  
The Old Grammar School  
13 Moorgate Road  
Rotherham  
South Yorkshire  
S60 2EN

Date: 12/12/2017

**Independent Reporting Accountant's Assurance Report on Regularity to  
Accord Multi Academy Trust and the Education and Skills Funding Agency**

In accordance with the terms of our engagement letter dated 18 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 Accord Multi Academy Trust during the period 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 Accord 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 Accord 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 Accord Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

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

The accounting officer is responsible, under the requirements of Accord Multi Academy Trust's funding agreement with the Secretary of State for Education dated 22 February 2017 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 period 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 charitable company's income and expenditure.

The work undertaken to draw to our conclusion includes:

- Enquiry of officers of the Trust
- Review and testing of income and expenditure for compliance with the funding and other agreements, the Academies Financial Handbook and the Trust's system of controls
- Examination of relevant documents
- Review of the activities carried out by the Trust
- Review of the delegated authorities set out in the Academies Financial Handbook

**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 period 1 September 2016 to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Allotts Business Services Ltd*

Reporting accountant  
Allotts Business Services Ltd  
Chartered Accountants  
The Old Grammar School  
13 Moorgate Road  
Rotherham  
South Yorkshire  
S60 2EN

Date: 12/12/2017

**Accord Multi Academy Trust**

**Statement of Financial Activities**  
**(Incorporating an Income and Expenditure Account)**  
**For The Year Ended 31 August 2017**

		Unrestricted fund	Restricted funds	Fixed asset fund	Total 2017 funds	Total 2016 funds
	Notes	£'000	£'000	£'000	£'000	£'000
<b>INCOME AND ENDOWMENTS FROM</b>						
Donations and capital grants	3	-	-	432	432	35
Donations - transfers into the Trust	26	1,180	(1,561)	22,326	21,945	-
<b>Charitable activities</b>						
Funding for the Trust's educational operations	4	-	17,080	-	17,080	9,354
Other trading activities	5	464	27	-	491	249
Investment income	6	<u>14</u>	<u>-</u>	<u>-</u>	<u>14</u>	<u>3</u>
<b>Total</b>		<b>1,658</b>	<b>15,546</b>	<b>22,758</b>	<b>39,962</b>	<b>9,641</b>
<b>EXPENDITURE ON</b>						
Raising funds	8	300	-	-	300	106
<b>Charitable activities</b>						
Trust's educational operations		<u>-</u>	<u>17,803</u>	<u>970</u>	<u>18,773</u>	<u>9,770</u>
<b>Total</b>	<b>7</b>	<b>300</b>	<b>17,803</b>	<b>970</b>	<b>19,073</b>	<b>9,876</b>
<b>NET INCOME/(EXPENDITURE)</b>		<b>1,358</b>	<b>(2,257)</b>	<b>21,788</b>	<b>20,889</b>	<b>(235)</b>
<b>Transfers between funds</b>	<b>21</b>	<u>-</u>	<u>(66)</u>	<u>66</u>	<u>-</u>	<u>-</u>
<b>Other recognised gains/(losses)</b>						
Actuarial gains/(losses) on defined benefit schemes		<u>-</u>	<u>2,961</u>	<u>-</u>	<u>2,961</u>	<u>(2,129)</u>
<b>Net movement in funds</b>		<b>1,358</b>	<b>638</b>	<b>21,854</b>	<b>23,850</b>	<b>(2,364)</b>
<b>RECONCILIATION OF FUNDS</b>						
<b>Total funds brought forward</b>		<b>394</b>	<b>(3,357)</b>	<b>16,432</b>	<b>13,469</b>	<b>15,833</b>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><b>1,752</b></u>	<u><b>(2,719)</b></u>	<u><b>38,286</b></u>	<u><b>37,319</b></u>	<u><b>13,469</b></u>

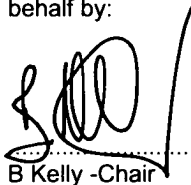
All of the charitable company's activities derive from continuing operations in the above two financial periods.

The notes form part of these financial statements

**Balance Sheet**  
**At 31 August 2017**

	Notes	2017 £'000	2016 £'000
<b>FIXED ASSETS</b>			
Tangible assets	14	<u>38,286</u>	<u>16,432</u>
<b>CURRENT ASSETS</b>			
Stocks	15	5	6
Debtors	16	735	304
Cash at bank and in hand		<u>2,982</u>	<u>1,008</u>
		3,722	1,318
<b>CREDITORS</b>			
Amounts falling due within one year	17	<u>(1,014)</u>	<u>(774)</u>
<b>NET CURRENT ASSETS</b>		<u>2,708</u>	<u>544</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		40,994	16,976
<b>PENSION LIABILITY</b>	22	<u>(3,675)</u>	<u>(3,507)</u>
<b>NET ASSETS</b>		<u>37,319</u>	<u>13,469</u>
<b>FUNDS</b>	21		
Unrestricted funds:			
General fund		1,752	394
Restricted funds:			
Fixed Asset fund		38,286	16,432
General fund		956	150
Pension reserve		<u>(3,675)</u>	<u>(3,507)</u>
		<u>35,567</u>	<u>13,075</u>
<b>TOTAL FUNDS</b>		<u>37,319</u>	<u>13,469</u>

The financial statements were approved by the Board of Trustees on 11/12/2017 and were signed on its behalf by:

  
B Kelly - Chair

**Accord Multi Academy Trust**

**Cash Flow Statement**  
**For The Year Ended 31 August 2017**

	Notes	2017 £'000	2016 £'000
<b>Cash flows from operating activities:</b>			
Cash generated from operations	1	<u>(136)</u>	<u>473</u>
<b>Net cash provided by/(used in) operating activities</b>		<u>(136)</u>	<u>473</u>
<b>Cash flows from investing activities:</b>			
Purchase of tangible fixed assets		(566)	(84)
Capital grants from DfE/ESFA		432	35
Sale of tangible fixed assets		36	1
Interest received		<u>14</u>	<u>3</u>
<b>Net cash provided by/(used in) investing activities</b>		<u>(84)</u>	<u>(45)</u>
<b>Cash flows from financing activities:</b>			
Capital repayments in year		<u>(3)</u>	<u>-</u>
<b>Net cash provided by/(used in) financing activities</b>		<u>(3)</u>	<u>-</u>
<b>Cash transferred on conversion to an Academy</b>	26	<u>2,197</u>	<u>-</u>
<b>Change in cash and cash equivalents in the reporting period</b>		1,974	428
<b>Cash and cash equivalents at the beginning of the reporting period</b>		<u>1,008</u>	<u>580</u>
<b>Cash and cash equivalents at the end of the reporting period</b>		<u>2,982</u>	<u>1,008</u>

The notes form part of these financial statements

**Accord Multi Academy Trust**

**Notes to the Cash Flow Statement**  
**For The Year Ended 31 August 2017**

**1. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES**

	2017	2016
	£'000	£'000
<b>Net income/(expenditure) for the reporting period (as per the statement of financial activities)</b>	20,889	(235)
<b>Adjustments for:</b>		
Depreciation	985	417
Capital grants from DfE/ESFA	(432)	(35)
Transfer from Local Authority on conversion	(21,945)	-
(Profit)/loss on disposal of fixed assets	(15)	12
Interest received	(14)	(3)
Debtors/(Creditors) on conversion	(103)	-
Decrease in stocks	1	1
(Increase)/decrease in debtors	(431)	36
Increase in creditors	238	163
Difference between pension charge and cash contributions	<u>691</u>	<u>117</u>
<b>Net cash provided by/(used in) operating activities</b>	<u><u>(136)</u></u>	<u><u>473</u></u>

**Accord Multi Academy Trust**

**Notes to the Financial Statements**  
**For The Year Ended 31 August 2017**

**1. STATEMENT OF ACCOUNTING POLICIES**

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

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) '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) (effective 1 January 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Academies Accounts Direction 2016 to 2017 issued by the ESFA, the Charities Act 2011 and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

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

**Going concern**

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The Trustees make this assessment in respect of a period of 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.

**Income**

All income is recognised in the Statement of Financial Activities once the charity has entitlement to the funds, it is probable that the income will be received 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 period 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.

**Donations**

Donations are recognised on a receivable basis (where there are no performance related conditions), where it is probable that the income will be received and the amount can be measured reliably.

**Other income**

Other income including the hire of facilities, is recognised in the period it is receivable and to the extent the charity has provided the goods or services.

## **Accord Multi Academy Trust**

### **Notes to the Financial Statements - continued** **For The Year Ended 31 August 2017**

## **2. ACCOUNTING POLICIES - continued**

### **Expenditure**

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, 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 accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings they have been allocated to activities on a basis consistent with the use of resources.

### **Raising funds**

Raising funds includes all expenditure incurred by the charity to raise funds for its charitable purposes and includes costs of all fundraising activities, events and non-charitable trading.

### **Charitable activities**

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

### **Tangible fixed assets**

Assets costing £5,000 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. 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 such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy.

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

Freehold buildings	15 - 55 years straight line
Leasehold land and buildings	125 years straight line
Fixtures, fittings and equipment	15% straight line
ICT equipment	25% straight line
Motor Vehicles	over 7 years 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.

### **Financial instruments**

The Academy Trust only holds basic financial instruments as defined by FRS102. The financial assets and financial liabilities of the Academy Trust 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 16. 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 17. 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.

### **Stocks**

Unsold catering and computer consumables are valued at the lower of cost or net realisable value.

### **Taxation**

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by 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.



## **Accord Multi Academy Trust**

### **Notes to the Financial Statements - continued** **For The Year Ended 31 August 2017**

#### **2. ACCOUNTING POLICIES - continued**

##### **Fund accounting**

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

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

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

##### **Pension costs and other post-retirement benefits**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in the Pension and Similar Obligations note, 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 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.

##### **Donations - transfers into the Trust**

Where assets are received on the transfer of an existing Academy or a state maintained school into the Trust, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the Trust. An equal amount of income is recognised as Donations - transfers into the Trust.

##### **Leased assets**

Rentals under operating leases are charged on a straight line basis over the lease term.

##### **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 Academy 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.

##### **Provisions**

Provisions are recognised when the Academy 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.

**Accord Multi Academy Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2017**

**2. ACCOUNTING POLICIES - continued**

**Critical accounting estimates and areas of judgement**

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

**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 22, 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.

**3. DONATIONS AND CAPITAL GRANTS**

	Unrestricted funds £'000	Restricted funds £'000	2017 Total funds £'000	2016 Total funds £'000
Grants	<u>-</u>	<u>432</u>	<u>432</u>	<u>35</u>

Grants received, included in the above, are as follows:

	2017 £'000	2016 £'000
Capital grants	<u>432</u>	<u>35</u>

**4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £'000	Restricted funds £'000	2017 Total funds £'000	2016 Total funds £'000
Grants	-	16,245	16,245	8,890
Catering income	-	534	534	296
Trip income	<u>-</u>	<u>301</u>	<u>301</u>	<u>168</u>
	<u>-</u>	<u>17,080</u>	<u>17,080</u>	<u>9,354</u>

**Accord Multi Academy Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2017**

**4. FUNDING FOR THE ACADEMY'S EDUCATIONAL OPERATIONS - continued**

An analysis of grants received is given below:

	Unrestricted funds £'000	Restricted funds £'000	2017 Total funds £'000	2016 Total funds £'000
<b>DfE/ESFA revenue grant</b>				
General Annual Grant(GAG)	-	15,170	15,170	8,527
Other DfE/ESFA Grants	-	860	860	341
	-	16,030	16,030	8,868
<b>Other government grant</b>				
Local authority grants	-	144	144	-
Special educational projects	-	71	71	22
	-	215	215	22
	-	16,245	16,245	8,890

**5. OTHER TRADING ACTIVITIES**

	Unrestricted funds £'000	Restricted funds £'000	2017 Total funds £'000	2016 Total funds £'000
Fundraising	35	-	35	25
Hire of facilities	131	-	131	66
Staff cover insurance	-	21	21	-
Wages reimbursement	5	2	7	45
Placements	28	-	28	14
Other services	169	4	173	44
Sundry income	96	-	96	55
	464	27	491	249

**6. INVESTMENT INCOME**

	Unrestricted funds £'000	Restricted funds £'000	2017 Total funds £'000	2016 Total funds £'000
Interest	14	-	14	3

**7. EXPENDITURE**

	Staff costs £'000	Non-pay expenditure Premises £'000	Other costs £'000	2017 Total £'000	2016 Total £'000
<b>Raising funds</b>					
Costs incurred by trading for a fundraising purpose	105	99	96	300	106
<b>Charitable activities</b>					
<b>Trust's educational operations</b>					
Direct costs	11,723	738	1,456	13,917	7,572
Allocated support costs	2,727	930	1,199	4,856	2,198
	14,555	1,767	2,751	19,073	9,876

**Accord Multi Academy Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2017**

**7. EXPENDITURE - continued**

Net income/(expenditure) is stated after charging/(crediting):

	2017 £'000	2016 £'000
Auditors' remuneration	17	10
Auditors' remuneration for non audit work	3	5
Legal & professional	11	14
Depreciation - owned assets	985	417
(Surplus)/deficit on disposal of fixed asset	(15)	12
Operating leases - others	<u>72</u>	<u>46</u>

**8. RAISING FUNDS**

Costs incurred by trading for a fundraising purpose

	Unrestricted funds £'000	Restricted funds £'000	2017 Total funds £'000	2016 Total funds £'000
Staff costs	105	-	105	33
Premises costs	99	-	99	28
Other costs	<u>96</u>	<u>-</u>	<u>96</u>	<u>45</u>
	<u>300</u>	<u>-</u>	<u>300</u>	<u>106</u>

**9. CHARITABLE ACTIVITIES - ACADEMY'S EDUCATIONAL OPERATIONS**

	Unrestricted funds £'000	Restricted funds £'000	2017 Total funds £'000	2016 Total funds £'000
Direct costs	-	13,917	13,917	7,572
Support costs	<u>-</u>	<u>4,856</u>	<u>4,856</u>	<u>2,198</u>
	<u>-</u>	<u>18,773</u>	<u>18,773</u>	<u>9,770</u>

	2017 Total £'000	2016 Total £'000
<b>Analysis of support costs</b>		
Support staff costs	2,727	1,196
Technology costs	187	22
Premises costs	930	524
Other support costs	981	427
Governance costs	<u>31</u>	<u>29</u>
<b>Total support costs</b>	<u>4,856</u>	<u>2,198</u>

**Accord Multi Academy Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2017**

**10. TRUSTEES' REMUNERATION AND BENEFITS**

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

Alan Warboys

Remuneration £115,000 - £120,000 (2016: £115,000 - £120,000)

Employer's pension contributions £15,000 - £20,000 (2016: £15,000 - £20,000)

**Trustees' expenses**

During the year ended 31 August 2017, travel and subsistence expenses totalling £250 (2016 - £163) were reimbursed or paid directly to 1 Trustee (2016 - 2) who worked for the Trust.

**Other transactions**

Other related party transactions involving the Trustees are set out in the Related Party Disclosures note.

**11. STAFF COSTS**

	2017	2016
	£'000	£'000
Wages and salaries	11,002	6,040
Social security costs	960	463
Operating costs of defined benefit pension schemes	2,240	1,036
Apprenticeship levy	18	-
	<u>14,220</u>	<u>7,539</u>
Supply teacher costs	250	115
Staff restructuring costs	60	14
Redundancy costs	25	52
	<u>14,555</u>	<u>7,720</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £59,500 (2016:£nil). Individually, the payments were £3,000, £11,500, £20,000 and £25,000.

The average number of persons (including senior management team) employed by the charitable company during the year was as follows:

	2017	2016
Teachers and educational support	278	143
Administration and support	179	82
Management	29	9
	<u>486</u>	<u>234</u>

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

	2017	2016
£60,001 - £70,000	2	2
£70,001 - £80,000	1	-
£90,001 - £100,000	1	-
£110,000 - £120,000	1	1
	<u>5</u>	<u>3</u>

**Accord Multi Academy Trust**

**Notes to the Financial Statements - continued  
For The Year Ended 31 August 2017**

**STAFF COSTS - continued**  
**Key management personnel**

The key management personnel of the Academy Trust comprise the Trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £627,219 (2016: £724,504)

**12. TRUSTEES' AND OFFICERS' INSURANCE**

The charitable company 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 Trust business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

**13. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES**

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	Total funds £'000
<b>INCOME AND ENDOWMENTS FROM</b>				
Donations and capital grants	-	-	35	35
<b>Charitable activities</b>				
Funding for the Academy's educational operations	-	9,354	-	9,354
Other trading activities	182	67	-	249
Investment income	<u>3</u>	<u>-</u>	<u>-</u>	<u>3</u>
<b>Total</b>	<b>185</b>	<b>9,421</b>	<b>35</b>	<b>9,641</b>
<b>EXPENDITURE ON</b>				
Raising funds	106	-	-	106
<b>Charitable activities</b>				
Academy's educational operations	<u>-</u>	<u>9,341</u>	<u>429</u>	<u>9,770</u>
<b>Total</b>	<b>106</b>	<b>9,341</b>	<b>429</b>	<b>9,876</b>
<b>NET INCOME/(EXPENDITURE)</b>	<b>79</b>	<b>80</b>	<b>(394)</b>	<b>(235)</b>
<b>Transfers between funds</b>	<u>-</u>	<u>(46)</u>	<u>46</u>	<u>-</u>
<b>Other recognised gains/(losses)</b>				
Actuarial gains/(losses) on defined benefit schemes	<u>-</u>	<u>(2,129)</u>	<u>-</u>	<u>(2,129)</u>
<b>Net movement in funds</b>	<b>79</b>	<b>(2,095)</b>	<b>(348)</b>	<b>(2,364)</b>
<b>RECONCILIATION OF FUNDS</b>				
<b>Total funds brought forward</b>	<u>315</u>	<u>(1,262)</u>	<u>16,780</u>	<u>15,833</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>	<u><b>394</b></u>	<u><b>(3,357)</b></u>	<u><b>16,432</b></u>	<u><b>13,469</b></u>

**Accord Multi Academy Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2017**

**14. TANGIBLE FIXED ASSETS**

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Furniture and equipment £'000
<b>COST</b>			
Transfer on conversion	17,657	4,350	130
At 1 September 2016	17,871	-	215
Additions	314	-	111
Disposals	-	-	-
At 31 August 2017	<u>35,842</u>	<u>4,350</u>	<u>456</u>
<b>DEPRECIATION</b>			
At 1 September 2016	1,634	-	159
Charge for year	588	150	81
Eliminated on disposal	-	-	-
At 31 August 2017	<u>2,222</u>	<u>150</u>	<u>240</u>
<b>NET BOOK VALUE</b>			
At 31 August 2017	<u>33,620</u>	<u>4,200</u>	<u>216</u>
At 31 August 2016	<u>16,237</u>	<u>-</u>	<u>56</u>

	Motor vehicles £'000	Computer equipment £'000	Totals £'000
<b>COST</b>			
Transfer on conversion	-	157	22,294
At 1 September 2016	17	640	18,743
Additions	-	141	566
Disposals	-	(40)	(40)
At 31 August 2017	<u>17</u>	<u>898</u>	<u>41,563</u>
<b>DEPRECIATION</b>			
At 1 September 2016	14	504	2,311
Charge for year	2	164	985
Eliminated on disposal	-	(19)	(19)
At 31 August 2017	<u>16</u>	<u>649</u>	<u>3,277</u>
<b>NET BOOK VALUE</b>			
At 31 August 2017	<u>1</u>	<u>249</u>	<u>38,286</u>
At 31 August 2016	<u>3</u>	<u>136</u>	<u>16,432</u>

**15. STOCKS**

	2017 £'000	2016 £'000
Catering	2	3
ICT equipment	<u>3</u>	<u>3</u>
	<u>5</u>	<u>6</u>

**Accord Multi Academy Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2017**

**16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2017 £'000	2016 £'000
Trade debtors	104	75
Other debtors	19	45
VAT recoverable	187	59
Prepayments and accrued income	<u>425</u>	<u>125</u>
	<u>735</u>	<u>304</u>

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

	2017 £'000	2016 £'000
Trade creditors	165	135
Taxation and social security	132	140
Other creditors	2	111
Accruals and deferred income	<u>715</u>	<u>388</u>
	<u>1,014</u>	<u>774</u>

	2017 £'000	2016 £'000
<b>Deferred income</b>		
Deferred Income at 1 September 2016	48	65
Resources deferred in the year	254	48
Amounts released from previous years	<u>(48)</u>	<u>(65)</u>
Deferred Income at 31 August 2017	<u>254</u>	<u>48</u>

At the balance sheet date the Academy Trust was holding grants and other funds received in advance for later periods.

**18. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2017 £'000	2016 £'000
Within one year	62	54
Between one and five years	<u>109</u>	<u>126</u>
	<u>171</u>	<u>180</u>

**19. 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.

**20. ANALYSIS OF NET ASSETS BETWEEN FUNDS**

	Unrestricted fund £'000	Restricted funds £'000	Fixed asset fund £'000	2017 Total funds £'000	2016 Total funds £'000
Fixed assets	-	-	38,286	38,286	16,434
Current assets	1,752	1,781	189	3,722	1,317
Current liabilities	-	(825)	(189)	(1,014)	(775)
Pension liability	-	<u>(3,675)</u>	-	<u>(3,675)</u>	<u>(3,507)</u>
	<u>1,752</u>	<u>(2,719)</u>	<u>38,286</u>	<u>37,319</u>	<u>13,469</u>



**Accord Multi Academy Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2017**

**21. MOVEMENT IN FUNDS**

	Balance 01.09.16 £000	Incoming Resources £000	Resourced Expended £000	Gains, losses and transfers £000	Balance 31.08.17 £000
<b>Restricted general funds</b>					
General annual grant (GAG)	150	15,170	(15,175)	811	956
Transfers in	-	877	-	(877)	-
Other ESFA	-	860	(860)	-	-
Other grants	-	215	(215)	-	-
Activities for generating funds	-	862	(862)	-	-
Restricted pension reserve	(3,507)	(2,438)	(691)	2,961	(3,675)
	<u>(3,357)</u>	<u>15,546</u>	<u>(17,803)</u>	<u>(2,895)</u>	<u>(2,719)</u>
<b>Restricted fixed asset funds</b>					
Assets transferred on conversion	14,839	22,326	(838)	(31)	36,296
DfE grants	294	432	(44)	(7)	675
Other grants	329	-	(7)	-	322
Capital expenditure from GAG	970	-	(81)	104	993
	<u>16,432</u>	<u>22,758</u>	<u>(970)</u>	<u>66</u>	<u>38,286</u>
<b>Total restricted funds</b>	<u>13,075</u>	<u>38,304</u>	<u>(18,773)</u>	<u>2,961</u>	<u>35,567</u>
<b>Unrestricted funds</b>	<u>394</u>	<u>1,658</u>	<u>(300)</u>	<u>-</u>	<u>1,752</u>
<b>Total funds</b>	<u>13,469</u>	<u>39,962</u>	<u>(19,073)</u>	<u>2,961</u>	<u>37,319</u>

Other DfE/ESFA grants includes 16-19 Bursary, Pupil Premium and other grants.

Other government grants includes special educational needs grant.

Other generated income includes money collected for trips, catering and other sources which are to be used specifically for the cost associated with providing these.

ESFA Devolved Formula Capital grant is to be used specifically to maintain and improve buildings and facilities.

The restricted fixed assets funds represent the net book values of donated fixed assets and assets purchased from DfE/ESFA/other government grants, which have to be held for the continuing use of the Academy Trust.

Fund balances at 31 August 2017 were allocated as follows:

	2017 £000
Ossett Academy & Sixth Form	651
Horbury Academy	1,700
Horbury Primary Academy	302
Middlestown Primary Academy	50
Central Services	<u>5</u>
Total before fixed assets and pension reserve	2,708
Restricted fixed asset fund	38,286
Pension reserve	<u>(3,675)</u>
	<u>37,319</u>

**Accord Multi Academy Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2017**

**21. MOVEMENT IN FUNDS - continued**

Analysis of Academies by cost

	Teaching & Educational Support Staff £000	Other Support staff £000	Educational Supplies £000	Other Costs (excluding depreciation) £000	2017 Total £000
Ossett Academy & Sixth Form	6,244	942	99	1,580	8,865
Horbury Academy	3,953	807	81	1,156	5,997
Horbury Primary Academy	990	123	24	363	1,500
Middlestown Primary Academy	442	68	4	173	687
Central Services	107	879	-	68	1,054
Trust	11,736	2,819	208	3,340	18,103

**Transfers between funds**

The transfer into the restricted fixed asset funds represents the net effect of fixed assets purchased out of GAG.

**22. PENSION AND SIMILAR OBLIGATIONS**

The Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for Academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by West Yorkshire Pension Fund. 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.

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)
- 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%.

The TPS valuation for 2012 determined an employer rate of 16.48%, 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.

**Accord Multi Academy Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2017**

**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

The employer's pension costs paid to TPS in the period amounted to £1,357,148 (2016: £780,858).

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

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 pension scheme, with the assets held in separate Trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £507,000 (2016: £308,000), of which employer's contributions totalled £339,000 (2016: £220,000) and employees' contributions totalled £168,000 (2016: £88,000). The agreed contribution rates for future years are 14.8 per cent for employers and between 5.5 and 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.

The scheme is in deficit and the trust has entered into an agreement with the Trustees to make additional contributions in addition to normal funding levels. Additional contributions were £22,600 for the year ended 31 August 2017 (2016: £46,600). In April 2017 the agreement to make additional contributions changed, at which point the rate increased from 11.8% to 14.8% and there are no longer any deficit payments.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2017	2016
	£'000	£'000
Present value of funded obligations	(14,258)	(8,506)
Fair value of plan assets	<u>10,583</u>	<u>4,999</u>
	<u>(3,675)</u>	<u>(3,507)</u>
Deficit	<u>(3,675)</u>	<u>(3,507)</u>
Liability	<u>(3,675)</u>	<u>(3,507)</u>

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

	Defined benefit pension plans	
	2017	2016
	£'000	£'000
Current service cost	912	292
Net interest from net defined benefit asset/liability	113	44
Past service cost	<u>5</u>	<u>-</u>
	<u>1,030</u>	<u>336</u>
Actual return on plan assets	<u>1,177</u>	<u>776</u>

**Accord Multi Academy Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2017**

**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2017	2016
	£'000	£'000
At 1 September	8,506	5,262
Current service cost	912	292
Past service cost	5	-
Employee contributions	168	88
Interest cost	292	200
Actuarial (gain) / loss	(1,963)	2,749
Benefits paid	(64)	(85)
Inherited on conversion	6,402	-
	<u>14,258</u>	<u>8,506</u>

Changes in the fair value of scheme assets are as follows:

	Defined benefit pension plans	
	2017	2016
	£'000	£'000
At 1 September	4,999	4,000
Employer contributions	339	220
Employee contributions	168	88
Interest income on assets	179	156
Actuarial gain / (loss)	998	620
Benefits paid	(64)	(85)
Inherited on conversion	3,964	-
	<u>10,583</u>	<u>4,999</u>

The amounts recognised in other recognised gains and losses are as follows:

	Defined benefit pension plans	
	2017	2016
	£'000	£'000
Asset gains/(losses)	998	620
Liability gains/ (losses)	1,963	(2,749)
	<u>2,961</u>	<u>(2,129)</u>

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

	Defined benefit pension plans	
	2017	2016
Equities	77.1%	75.1%
Property	4.5%	4.8%
Government Bonds	9.6%	11.2%
Other Bonds	3.9%	4.2%
Cash	1.5%	1.4%
Other	3.4%	3.3%

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

	2017	2016
Salary increases	3.25%	3.4%
Discount rate	2.5%	2%
Inflation assumption (CPI)	2%	1.9%
Pension increases	2%	1.9%
Inflation assumption (RPI)	3.1%	3%
Pension accounts revaluation rate	2%	1.9%

**Accord Multi Academy Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2017**

**22. PENSION AND SIMILAR OBLIGATIONS**  
**- continued**

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

	At 31 August 2017	At 31 August 2016
Retiring today		
Males	22.1	22.7
Females	25.2	25.6
Retiring in 20 years		
Males	23.0	24.9
Females	27.0	28.0

The estimated value of employer contributions for the year ended 31 August 2018 is £488,000.

**23. RELATED PARTY DISCLOSURES**

There were no related party transactions for the year ended 31 August 2017.

**24. FIXED ASSET INVESTMENTS/SUBSIDIARIES**

The Trust holds a £1 share in its subsidiary.

	2017 £'000	2016 £'000
Investment in Subsidiary Undertaking at cost	-	-
Class of Shares: Ordinary		
Holding: 100%		
	2017 £'000	2016 £'000
Aggregate capital and reserves	-	-
Profit for the year	-	-

The investment relates to the wholly owned subsidiary company, YES-EDU Ltd, which was dormant in the year.

In accordance with s405 of the Companies Act 2006, the Trustees have excluded the undertaking from consolidation, as its inclusion is not material for the purpose of giving a true and fair view.

**25. CENTRAL SERVICES**

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

- Human Resources
- Accountancy services
- Other services as arising

The Trust charges for these services on the following basis:

- a flat 2.5% of GAG funding per Academy

The amounts charged during the year were as follows:

	2017 £'000
Ossett Academy & Sixth Form	169
Horbury Academy	110
Horbury Primary	31
Middlestown Primary	15
	<hr/>
	325
	<hr/>

**Accord Multi Academy Trust**

**Notes to the Financial Statements - continued**  
**For The Year Ended 31 August 2017**

**26. DONATIONS - TRANSFERS INTO THE TRUST**

New schools joined the Trust during the year as follows:

<b>School</b>	<b>Date joined</b>	<b>Type</b>	<b>Predecessor Body</b>
Horbury Academy	1 September 2016	Secondary	Horbury Academy Trust
Middlestown Primary	1 December 2016	Primary	Wakefield MDC
Horbury Primary	1 December 2016	Primary	Wakefield MDC

All their operations and assets and liabilities were transferred to the Trust from their predecessor bodies for no consideration. The transfers have been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Donations - transfers into the Trust.

The following tables set out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the SOFA.

	Unrestricted fund £'000	Restricted general fund £'000	Restricted fixed asset fund £'000	Total £'000
<b>Middlestown Primary Academy</b>				
Leasehold land and buildings	-	-	1,530	1,530
Other tangible fixed assets	-	-	46	46
Budget surplus on LA Funds	27	-	20	47
Other identified assets and liabilities	(4)	-	-	(4)
LGPS pension deficit (see below)	-	-	-	-
<b>Net assets</b>	<b>23</b>	<b>-</b>	<b>1,596</b>	<b>1,619</b>

	Unrestricted fund £'000	Restricted general fund £'000	Restricted fixed asset fund £'000	Total £'000
<b>Horbury Primary Academy</b>				
Leasehold land and buildings	-	-	2,820	2,820
Other tangible fixed assets	-	-	65	65
Budget surplus on LA Funds	288	-	13	301
LGPS pension deficit (see below)	-	-	-	-
<b>Net assets</b>	<b>288</b>	<b>-</b>	<b>2,898</b>	<b>3,186</b>

	Unrestricted fund £'000	Restricted general fund £'000	Restricted fixed asset fund £'000	Total £'000
<b>Middlestown Primary Academy and Horbury Primary Academy</b>				
LGPS pension deficit (joint)	-	(573)	-	(573)

	Unrestricted fund £'000	Restricted general fund £'000	Restricted fixed asset fund £'000	Total £'000
<b>Horbury Academy</b>				
Freehold land and buildings	-	-	17,657	17,657
Other tangible fixed assets	-	-	175	175
Net current assets	869	877	-	1,746
LGPS pension deficit	-	(1,865)	-	(1,865)
<b>Net assets</b>	<b>869</b>	<b>(988)</b>	<b>17,832</b>	<b>17,713</b>
<b>Total</b>	<b>1,180</b>	<b>(1,561)</b>	<b>22,326</b>	<b>21,945</b>

There were no fair value adjustments to the values reported by the transferring schools.