

**PENINSULA LEARNING TRUST**  
**(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT AND AUDITED ACCOUNTS**  
**FOR THE YEAR ENDED 31 AUGUST 2015**

Company Registration No. 07565242 England and Wales

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# PENINSULA LEARNING TRUST

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# PENINSULA LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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### Trustees

PG Marshall (Chair) (Appointed 15 January 2015)  
DMJ Parker (Accounting Officer)  
EG Alma (Resigned 15 January 2015)  
JK Barnard  
ML Barnes (Resigned 4 January 2015)  
MA Behennah (Resigned 15 January 2015)  
P Bundy (Resigned 15 January 2015)  
CN Bunting (Appointed 15 January 2015 and resigned 2 October 2015)  
A Dean (Resigned 15 January 2015)  
MG De Villiers (Resigned 15 January 2015)  
DR Fisher (Resigned 15 January 2015)  
PG Jackson (Resigned 15 January 2015)  
KA Johns (Appointed 15 January 2015)  
EM Knowles (Appointed 15 January 2015)  
S Netherton (Appointed 15 January 2015)  
RW Parker (Resigned 28 November 2014)  
KM Pearce  
AM Phillips (Resigned 7 January 2015)  
S Pollard (Resigned 2 October 2015)  
CD Price (Appointed 1 October 2015)  
MA Rudge (Appointed 15 January 2015)  
JM Sage (Resigned 15 January 2015)  
JL Seyler (Appointed 15 January 2015)  
A Stittle (Resigned 15 January 2015)  
PF Towe (Appointed 15 January 2015 and resigned 2 October 2015)  
R Van De Velde (Appointed 1 October 2015)  
DC Wilshire (Resigned 2 September 2014)

### Members

EG Alma (resigned 2 February 2015)  
JK Barnard (resigned 2 February 2015)  
MA Behennah (resigned 12 February 2015)  
DMJ Parker (resigned 2 February 2015)  
A Phillips  
P Sadler (appointed 11 December 2014)  
K Simkins (appointed 11 December 2014)  
S Double (appointed 11 December 2014)  
I Taylor (appointed 11 December 2014)  
P Marshall (appointed 19 June 2015)

### Senior management team

- Chief Executive & Principal (Penrice)	DMJ Parker
- Associate Principal (Penrice)	R Baker
- Headteacher (St Mewan)	PF Towe
- Headteacher (Carclaze)	S Pollard
- Headteacher (Mevagissey)	CN Bunting
- Chief Financial Officer	E Willcocks
- Director of Estates and Facilities	C Bennett
- Director of IT	B Bull

# PENINSULA LEARNING TRUST

## REFERENCE AND ADMINISTRATIVE DETAILS

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**Company secretary** J Alder

**Company registration number** 07565242 (England and Wales)

**Registered office** Penrice Academy  
Charlestown Road  
ST AUSTELL  
PL25 3NR

**Academies operated**  
Penrice Academy  
Carclaze CP School  
Mevagissey CP School  
St Mewan CP School  
Lostwithiel Primary School  
Fowey Primary School

**Location**  
St Austell  
St Austell  
St Austell  
St Austell  
Lostwithiel  
Fowey

**Headteacher**  
DMJ Parker  
S Pollard  
CN Bunting  
PF Towe  
N Simmonds  
C Wathern

**Independent auditor** Robinson Reed Layton  
Peat House  
Newham Road  
TRURO  
Cornwall  
TR1 2DP

**Actuary** Hymans Robertson LLP  
20 Waterloo Street  
GLASGOW  
G2 6DB

**Bankers** Lloyds Bank plc  
7 High Cross Street  
ST AUSTELL  
Cornwall  
PL25 4AF

**Solicitors** Browne Jacobson LLP  
1 Manor Court  
Dix's Field  
EXETER  
Devon  
EX1 1UP

# **PENINSULA LEARNING TRUST**

## **TRUSTEES' REPORT**

### **FOR THE YEAR ENDED 31 AUGUST 2015**

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The trustees of Peninsula Learning Trust present their annual report together with the financial statements and auditor's reports of the charitable company for the period 1 September 2014 to 31 August 2015. The annual report serves the purposes of both a trustees' report, and a directors' report under company law.

The charitable company changed its name on 15 January 2015 from Penrice Academy to Peninsula Learning Trust. From this date until the end of the reporting period, the academy trust consisted of three primary academies and one secondary academy, all in Cornwall in the St Austell bay area. Its academies have a combined pupil capacity of 2,316 and a roll of 2,345 in the school censuses on 2 October 2014.

#### **Structure, governance and management**

##### Constitution

The 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 academy trust.

The trustees of Peninsula Learning Trust are also the directors of the charitable company for the purposes of company law. Details of the trustees who served during the year 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

In accordance with normal commercial practice the charitable company has purchased insurance to protect trustees from claims arising from negligent acts, errors or omissions occurring whilst on the charitable company's business. The insurance provides cover up to £5 million on any one claim.

##### Method of recruitment and appointment or election of trustees

The trust board recognises that good governance requires a board based on skills, rather than representation. Initially, headteachers and existing governors from trust schools were appointed as trustees. However, from 2015/16, no primary school headteacher will be a trustee and when vacancies arise new trustees will be selected based on their skills fit with the board. Candidates will be interviewed by a selection panel, which includes the chief executive officer and chair, who will make their recommendation to the full board.

##### Policies and procedures adopted for the induction and training of trustees

From 2015/16 all new trustees will meet with the chief executive officer (CEO) and chief financial officer (CFO) following their appointment and will receive an induction pack of documentation from the trust secretary. This includes the Articles of Association, Code of Conduct, Conflicts of Interest policy, Scheme of Delegation, Terms of Reference, Academies Financial Handbook and Governor's Handbook.

A programme of joint training for both trustees and governors is being developed. This programme will include: introduction to governance; safeguarding; understanding data; Ofsted inspections; monitoring; data protection, special educational needs (SEN); early years foundation stage; and working with parents. Priorities for training will be identified through skills and training audits and other evaluation procedures at both an individual and at board level.

# PENINSULA LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### Organisational structure

The governance structure of Peninsula Learning Trust consists of Members, the Board of Trustees, the Local Governing Bodies (LGBs), two board committees and the Trust Leadership Team.

The Trust has six Members who meet at least twice a year. The Members appoint the majority of trustees.

The Board currently has 11 trustees – six are appointed by the Members, four are co-opted by the Board, and the CEO holds the final post. In addition, the Board has one Associate Trustee who sits on the Audit Committee but has no voting rights.

The Board has two committees – Finance and Operations and Audit. In addition, there is a LGB for each school. Membership includes the Headteacher, an elected staff governor, two parent governors (appointed or elected) plus board appointed governors.

The Trust has a scheme of delegation and supporting committee and LGB terms of reference which clearly define the split of responsibilities between management (CEO, CFO, Headteachers) and governance (Board, Chairs, committees, LGBs, ad hoc panels, individual trustees and governors).

The Trust employs an independent Trust Secretary with responsibility for meetings, record keeping and all governance-related documentation.

#### Related parties and other connected charities and organisations

There are no related parties which control or significantly influence the decisions and operations of the academy trust.

Related party relationships are detailed in Note 23 to the accounts.

#### **Objectives and activities**

##### Objects and aims

The principal object and activity of the charitable company is to advance for the public benefit, education in the United Kingdom by maintaining, managing and developing schools offering a broad and balanced curriculum for pupils with different abilities.

The aims of the academy trust during the year ended 31 August 2015 are summarised below:

The natural size for this Trust will be around eight to nine primary schools and two to three secondary schools – around 5000 students, all within a short distance of St Austell. The Trust is already at a sustainable size but has the capacity to grow its core team to manage a trust with up to twelve schools. The goals of the Trust are to develop collaborative approaches between schools that drive improvements in outcomes and the overall quality of the child's experience. The Trust achieves this by having clear goals and expectations, great central support and structures for functions not directly related to teaching and learning and an ethos of sharing good practice between schools. Individual schools and individual staff will welcome review by others in the Trust with the aim of improving practice. Academies joining the Trust will get support with academisation and the transition to a more collaborative model of shared leadership. Headteachers and staff will know that they are all part of one team working towards achieving all of the goals for the whole Trust. No matter which school a particular child is in, he or she should have a fantastic experience; individual and unique to that school, but with a visible commitment to the core values of the Trust.

Governance of the Trust will support those goals around the child's experience and outcomes. Trustees will remain focused on strategic priorities and managing risk, allowing LGBs to focus on standards of teaching and learning and the quality of the individual child's experience. Recruitment to both levels of governance will be on the basis of skills, experience or specialist knowledge. Members will be the guardians of our core values and evaluate overall impact of the Trust on the wider community.

# PENINSULA LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### Public benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commissions' general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy aim's and objectives and in planning its future activities.

#### **Strategic report**

##### Achievements and performance

##### Review of 2014/15

During 2014/15 the Trust was established and considerable work has taken place to establish structures, set up governance arrangements and build effective working relationships across the schools. Throughout this the focus has been on setting up an organisation that is focused on improving progress and the achievement of children within the Trust.

#### **Achievements**

##### 1. Supporting the improvement of outcomes

- A new performance management process has been introduced. It involves external evaluation using an Ofsted inspector and is a much more demanding process with the focus being entirely on progress and the achievement of children.
- A common self-evaluation process was introduced in summer 2015 and was reviewed again in autumn 2015. It gives a common format for evaluation and enables continual professional development (CPD) to be planned around common themes.
- The performance management process generated whole school targets that headteachers have translated into team and individual targets necessary to reach the expected outcomes for their schools.
- CPD has been thoroughly planned. In primary schools it has focused on using a common reporting system for 'life without levels', spelling and grammar (SpAG), Singapore maths and special educational needs (SEN) reforms. Penrice has led CPD on improving teaching and is using primary expertise to improve SpAG teaching at secondary level. A number of informal relationships have been established between teachers in all schools and between primary and secondary schools which are leading to improved understanding and/or better teaching.
- Primary schools are now using 'Classroom Monitor' after a period of research and investigation into how schools outside the Trust are using it and trials within the MAT. Penrice has adopted a system using GCSE grades from Y7 to 11.

##### 2. Growing the Trust

- The CEO has presented to school leaders and governors in seven schools; two have joined, one is joining and a fourth is seriously considering joining. One application we rejected because it was unlikely we would get approval for it. Another secondary school joining the Trust remains a priority.
- A thorough due diligence process has been adopted for new schools joining the Trust. Support for academisation now better established with increased experience of the process.

##### 3. Professional support services for all academies

- Each academy now has a health and safety audit and premises plan in place. Capital bids are being prepared in autumn 2015 for Condition Improvement Fund bids in spring 2016.
- The Trust has a part time HR consultant but no central HR function yet – the centralisation of this service is planned for 2016. Common HR policies are in progress.
- The Trust IT policy has been written. The IT team has been expanded and taken control of IT across all schools. The IT team are able to take on major server replacements as well as routine maintenance.

# PENINSULA LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2015**

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### 4. Effective governance

- Clear and practical schemes of delegation exist setting out roles of LGB and Trust Board. The trust board is now establishing protocols for reporting back from LGBs and the other types of reporting they require.
- The induction programme for new board members is in place and will be trialled with two new appointees. Induction at LGB level is not yet consistent between schools. The Trust is beginning to develop a central training plan and provision for new board members and LGB governors with the first event planned for October 2015. The Strategic Vision Day proved useful in bringing together all the strands of governance. The outcome was an agreed set of values and outline goals for the next year.

### 5. Employer of choice

- The middle leader programme has been developed and will begin in autumn 2015.
- The common training programme for teaching and professional support services was well received.
- Supportive professional links between senior leaders are being developed across the Trust.

## Performance

### Secondary - Penrice Academy

Number of students at end of KS4	262
% achieving 5 or more A*-C including English and Maths	49
% achieving EBacc at A*- C	21

	2011	2012	2013	2014
5+A*- C including English and maths	60%	67%	68%	56%
Local Authority average	55%	55%	60%	55%
England average	59%	59%	59%	53%

Attainment at 5+ A\*- C including English and Maths in 2015 was below that achieved in the previous three years and below national average. This was due to a very weak performance in English which pulled down the overall measure. Overall progress was broadly average with above average attainment in many subjects. This drop is considered temporary due to a combination of circumstances, largely around ineffective leadership at subject level. The academy has engaged a range of external advice and had significant extra training for teachers, combined with a sharper focus on data collection at an early stage and better use of formative feedback to students. There is confidence that there will be a significant increase in outcomes for students in 2016.



# PENINSULA LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2015**

### *Primary*

The tables below show the percentage of children in each school reaching or exceeding the required standard in the tests taken at the end of year six. Mevagissey has only a small number of year six children so results can fluctuate considerably from year to year. Carclaze is showing rapid improvement and will reach or exceed national targets in 2016. The Trust have established a range of training and professional development opportunities for teachers to strengthen the teaching of phonics, SpAG and maths. Schools are also trialling 'Singapore Maths' during 2015/16.

% of pupils achieving L4+

	Maths, Reading and Writing %	Maths %	Reading %	Writing %	Spelling, Punctuation and Grammar %
National	80	87	89	87	80
Carclaze	69	81	86	75	75
Mevagissey	77	77	85	92	77
St Mewan	85	90	97	88	90

### Going concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the charitable company has adequate resources to continue in operational existence for the near future. For this reason the board of trustees contributes to adopt a going concern basis in preparing the accounts. Further details regarding the adoption of the going concern basis can be found in the statement of accounting policies.

### **Financial review**

The charitable company's accounting period is the year to 31 August 2015.

Most of the charitable company's income is derived from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received during the year to 31 August 2015, and the associated expenditure, are shown as restricted funds in the statement of financial activities.

The charitable company also received grants for fixed assets from the EFA. Such grants are shown in the statement of financial activities as restricted income in the fixed asset fund. The restricted fixed asset fund will be reduced by annual depreciation charges over the expected useful life of the assets concerned.

As at 31 August 2015 the net book value of fixed assets was £22,154,383 and movements in tangible fixed assets are shown in note 11 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the academy trust.

The buildings and other assets were transferred to the academy on a 125 year lease upon conversion (excluding part of the Penrice Academy playing fields which are subject to a commercial lease).

The academy trust has taken on the deficit of the Local Government Pension Scheme (LGPS) in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 24 to the financial statements.

Key policies adopted during the year include the financial procedure rules and scheme of delegation which lay out the framework for financial management, including responsibilities of the Board, its Committees, LGBs and management, as well as delegated authority for spending.

# PENINSULA LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2015**

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### Reserves policy

Peninsula Learning Trust trustees aim to control reserve levels to an agreed level to ensure excessive balances are not held at any one time. Trustees will ensure that delegated funds are spent appropriately and that government policies will be adhered to.

Trustees do however, recognise that sufficient reserves are required to ensure sound financial health and good practice, and to maintain a sound financial future for Peninsula Learning Trust. Any future financial trends are identified early by good financial planning and regular monitoring by finance staff and the Trust's Finance Committee.

The trustees consider the financial year end position of £22,002,915 comprising £22,380,852 of restricted fixed asset funds, £(1,816,981) of restricted funds and £1,439,044 of unrestricted funds to be satisfactory. The restricted funds consist of the pension reserve amounting to £(2,213,000) and general restricted funds of £396,019.

The level of free reserves held by the academy trust are £1,439,044.

### Investment policy and powers

The cash balances held by the academy trust are invested in interest earning bank accounts.

### Principal risks and uncertainties

The Board has adopted a new Risk Management Strategy during 2015 which sets out the Trust's approach to risk management and is continuing to embed risk management in practice throughout the Trust. The Audit Committee reviews the strategic risks to which the academy trust is exposed together with the controls in place to mitigate those risks.

The principle risks and uncertainties facing the academy trust are set out below.

- Failing to improve or maintain standards of teaching and learning, specifically in the areas of:
    - KS1 outcomes
    - KS2 maths
    - KS2 attainment
    - KS4 progress
    - KS4 disadvantaged students (in receipt of Pupil Premium, Service Premium or in care)
    - KS4 for the more able
    - KS4 English
    - KS4 science
  - Future Ofsted inspection results which do not result in Penrice Academy retaining its 'outstanding' grade or failure to improve 'requires improvement' schools or fall in grade in those schools currently rated as 'good'.
  - Failure to put in place appropriate safeguarding arrangements which leads to risk to the welfare or care of a pupil.
  - The future sustainability of the Trust, which includes:
    - the uncertainty over future funding and balancing the Trust's budget while maintaining the quality of provision;
    - additional schools not joining the trust and falling rolls as a result of competition; and
    - ensuring sufficient leadership capacity to support schools requiring improvement and potentially a free school.
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# PENINSULA LEARNING TRUST

## TRUSTEES' REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2015**

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### Plans for future periods

On 1 September 2015 Fowey Primary School and Lostwithiel School joined Peninsula Learning Trust. We would welcome additional schools to the Trust and will work with schools that express an interest in joining the Trust to achieve further opportunities for improving learning and achieving economies of scale.

The main areas of focus for 2015/16 are:

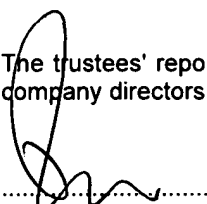
- Improving outcomes
- Improving and embedding governance arrangements
- Increasing the efficiency of core services, such as finance and IT
- Continuing to grow the trust in a controlled manner
- Improving safeguarding arrangements across the Trust
- Talent spotting and retaining and training future leaders

### Auditor

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 18-12-15 and signed on its behalf by:



PG Marshall  
Chair

# **PENINSULA LEARNING TRUST**

## **GOVERNANCE STATEMENT**

***FOR THE YEAR ENDED 31 AUGUST 2015***

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### **Scope of responsibility**

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

The board of trustees has delegated the day-to-day responsibility to the 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 Peninsula Learning Trust and the Secretary of State for Education. The accounting officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

# PENINSULA LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

#### Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met eight times during the period, four times as Penrice Academy and four times as Peninsula Learning Trust. Attendance during the period at meetings of the board of trustees was as follows:

As Penrice Academy (period from 1 September 2014 to 15 January 2015)

Trustees	Meetings attended	Out of a possible	% attended
Elise Alma	4	4	100
Jeremy Barnard	2	4	50
Martin Barnes	0	3	0
Marlene Behennah	3	4	75
Pani Bundy	3	4	75
Matthew de Villiers	4	4	100
Andrew Dean	1	4	25
Ralph Fisher	2	4	50
Peter Jackson	4	4	100
David Parker	4	4	100
Rob Parker	0	2	0
Kevin Pearce	4	4	100
Alison Phillips	3	3	100
Simon Pollard	1	4	25
Jacqueline Sage	4	4	100
Andrew Stittle	2	4	50

As Peninsula Learning Trust (period from 16 January 2015 to 31 August 2015)

Trustees	Meetings attended	Out of a possible	% attended
Jeremy Barnard	4	4	100
Claire Bunting	4	4	100
Kevin Johns	3	4	75
Emma Knowles	3	4	75
Peter Marshall	4	4	100
Shaun Netherton	4	4	100
David Parker	4	4	100
Kevin Pearce	4	4	100
Simon Pollard	4	4	100
Mark Rudge	4	4	100
Julie Seyler	2	4	50
Paul Towe	3	4	75

The trustees are planning a review of the effectiveness of the board and its governance arrangements during the second year of the Peninsula Learning Trust's existence.

# PENINSULA LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

The finance and operations committee is a committee of the Peninsula Learning Trust board of trustees. Its responsibilities include:

- Strategic overview of financial management including approving budgets, procurement and contracts, budget monitoring and capital planning;
- Employment, pay and staff wellbeing;
- Health & Safety and premises; and
- Information technology.

Attendance at meetings in the year is set out below.

Trustees	Meetings attended	Out of a possible	% attended
Claire Bunting	2	2	100
Peter Marshall	2	2	100
David Parker	2	2	100
Kevin Pearce	2	2	100
Simon Pollard	1	2	50
Mark Rudge	1	2	50
Julie Seyler	2	2	100
Paul Towe	2	2	100

Prior to the establishment of the Peninsula Learning Trust on 15 January 2015, the Penrice Academy resources committee met once between 1 September 2014 and 15 January 2015. Attendance is set out below.

Trustees	Meetings attended	Out of a possible	% attended
Elise Alma	1	1	100
Jeremy Barnard	1	1	100
Martin Barnes	1	1	100
Pani Bundy	1	1	100
Ralph Fisher	1	1	100
David Parker	1	1	100
Kevin Pearce	1	1	100

# PENINSULA LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

The audit committee is a committee of the Peninsula Learning Trust board of trustees. Its responsibilities include:

- to review the academy trust's annual report and financial statements in order to recommend to the board their approval or otherwise. To receive the external auditors' report and review any actions or judgements;
- to receive management reports on the effectiveness of the systems for internal financial control and monitor compliance. To approve policies and procedures relating to internal control;
- to monitor the effectiveness of the risk management processes and procedures;
- to appoint, receive reports and recommendations from internal audit and to agree the internal audit annual plan; and
- to appoint, receive reports and recommendations from external audit and to oversee the external audit annual plan.

In June 2015, David Bray a qualified accountant and experienced auditor, joined the audit committee. Attendance at meetings in the year is set out below.

Trustees	Meetings attended	Out of a possible	% attended
Jeremy Barnard	2	2	100
David Bray	1	1	100
Kevin Johns	2	2	100
Emma Knowles	2	2	100
Shaun Netherton	0	2	0

#### Review of value for money

As accounting officer, the Chief Executive Officer 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 for the academy trust has improved value for money during the year by:

- Implementing new contract procedure rules that set out clearly the requirement to obtain value for money when assessing tenders;
- Challenging staff on their purchases and reminding them to consider value for money when using public resources;
- Using benchmarking data and financial analysis to focus on areas of high spend across the trust; and
- Delivering in year savings, through a variety of ways including the use of consistent rates of pay across the schools, the letting of new, lower contracts across the trust and ordering goods and services centrally achieving lower unit prices.

# PENINSULA LEARNING TRUST

## GOVERNANCE STATEMENT (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2015**

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### **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 assurances 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 academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place for Penrice Academy for the period 1 September 2014 to 15 January 2015 and for Peninsula Learning Trust for the period 15 January 2015 to 31 August 2015 and up to the date of approval of the annual report and accounts.

### **Capacity to handle risk**

The audit committee has overseen the development of a new risk management strategy that covers the identification, management and reporting of key risks. The strategy is being implemented and the board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy trust's significant risks. Appropriate risk management arrangements have been in place for the reporting period and up to the date of approval of the annual report and accounts. The risk management strategy and the risk management arrangements in place will be regularly reviewed by the audit committee to ensure that they remain appropriate. The board of trustees will continue to regularly review the key risks to which the academy is exposed, together with the controls in place to mitigate them.

### **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 Finance Committee;
- Contract procedure rules for the procurement of goods and services;
- Delegation of authority and segregation of duties; and
- Identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint an internal auditor for the academic year 2015/16. For the academic year 2014/15 an internal auditor was not used but a programme of internal checks has been carried out by Cornwall Council as part of their Responsible Officer role.

The Responsible Officer's role included giving advice on financial matters and performing a range of checks on the academy trust's financial systems. In particular the checks carried out in 2014/2015 included:

- Testing of payroll systems;
- Testing of purchasing systems; and
- Testing of control accounts and bank account reconciliations.

The Responsible Officer delivered their schedule of work as planned and no material controls issues were identified as a result of this review.

### **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 Responsible Officer;
- The work of the external auditor;
- The financial management and governance self-assessment process; and
- The work of the management team within the academy trust who have responsibility for the development and maintenance of the internal control framework.



# **PENINSULA LEARNING TRUST**

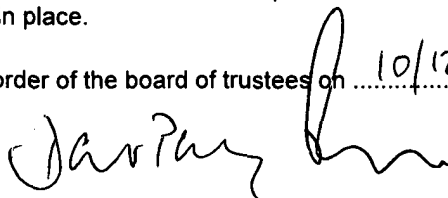
## **GOVERNANCE STATEMENT (CONTINUED)**

**FOR THE YEAR ENDED 31 AUGUST 2015**

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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 the weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the board of trustees on 10/12/15 and signed on its behalf by:



DMJ Parker  
Accounting Officer

PG Marshall  
Chair

# PENINSULA LEARNING TRUST

## STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2015

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As accounting officer of Peninsula Learning Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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

Approved on 10/12/15 and signed by:



DMJ Parker  
Accounting Officer

# PENINSULA LEARNING TRUST

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

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The trustees (who also act as governors for Peninsula Learning Trust and are also the directors of Peninsula Learning Trust for the purposes of company law) are responsible for preparing the Trustees' Report and the accounts in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

In preparing these accounts, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the accounts 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 that grants received from the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the board of trustees on 10-12-15 and signed on its behalf by:

PG Marshall  
Chair

# **PENINSULA LEARNING TRUST**

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE MEMBERS OF PENINSULA LEARNING TRUST**

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We have audited the accounts of Peninsula Learning Trust for the year ended 31 August 2015 set out on pages 22 to 47. 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) and the Academies Accounts Direction 2014 to 2015 issued by the EFA.

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 auditor's 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 its members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Respective responsibilities of trustees and auditors**

As explained more fully in the Trustees' Responsibilities Statement set out on page 17, the trustees, who are also the directors of Peninsula Learning Trust for the purposes of company law, are responsible for the preparation of the accounts and for being satisfied that they give a true and fair view.

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

#### **Scope of the audit of the accounts**

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

#### **Opinion on accounts**

In our opinion the accounts:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and in accordance with the requirements of the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Report for the financial year for which the accounts are prepared is consistent with the accounts.

# PENINSULA LEARNING TRUST

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS OF PENINSULA LEARNING TRUST

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the accounts 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.

*Robinson Reed Layton*

**Mark Williams (Senior Statutory Auditor)**

**Robinson Reed Layton**

**Chartered Accountants**

**Statutory Auditor**

Peat House

Newham Road

TRURO

Cornwall

TR1 2DP

Dated: 14 December 2015

# **PENINSULA LEARNING TRUST**

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PENINSULA LEARNING TRUST AND THE EDUCATION FUNDING AGENCY**

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In accordance with the terms of our engagement letter dated 28 August 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Peninsula Learning Trust during the period 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

### **Respective responsibilities of Peninsula Learning Trust's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of Peninsula Learning Trust's funding agreement with the Secretary of State for Education dated 31 March 2011 and the Academies Financial Handbook, extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

## PENINSULA LEARNING TRUST

### INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO PENINSULA LEARNING TRUST AND THE EDUCATION FUNDING AGENCY (CONTINUED)

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#### 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 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

*Robinson Reed Layton*

Mark Williams  
**Reporting Accountant**  
Robinson Reed Layton

Dated: 14 December 2015

# PENINSULA LEARNING TRUST

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds £	Restricted funds £	Fixed Asset funds £	Total 2015 £	Total 2014 £
<b>Incoming resources</b>	<b>Notes</b>					
<i>Resources from generated funds</i>						
- Voluntary income	2	7,233	1,419	10,000	18,652	4,255
- Inherited on conversion	24	608,811	(663,000)	8,302,574	8,248,385	-
- Activities for generating funds	3	56,984	-	-	56,984	22,171
- Investment income	4	12,093	-	-	12,093	13,971
<i>Resources from charitable activities</i>						
- Funding for educational operations	5	908,912	9,562,552	293,721	10,765,185	7,971,685
<b>Total incoming resources</b>		<b>1,594,033</b>	<b>8,900,971</b>	<b>8,606,295</b>	<b>19,101,299</b>	<b>8,012,082</b>
<b>Resources expended</b>						
<i>Charitable activities</i>						
- Educational operations	7	238,955	9,704,356	568,701	10,512,012	7,588,125
Governance costs	8	-	17,596	-	17,596	36,113
<b>Total resources expended</b>	6	<b>238,955</b>	<b>9,721,952</b>	<b>568,701</b>	<b>10,529,608</b>	<b>7,624,238</b>
<b>Net incoming/(outgoing) resources before transfers</b>		<b>1,355,078</b>	<b>(820,981)</b>	<b>8,037,594</b>	<b>8,571,691</b>	<b>387,844</b>
Gross transfers between funds		(583,039)	460,957	122,082	-	-
<b>Net income/(expenditure) for the year</b>		<b>772,039</b>	<b>(360,024)</b>	<b>8,159,676</b>	<b>8,571,691</b>	<b>387,844</b>
<b>Other recognised gains and losses</b>						
Actuarial gains/(losses) on defined benefit pension scheme	17	-	(140,000)	-	(140,000)	(672,000)
<b>Net movement in funds</b>		<b>772,039</b>	<b>(500,024)</b>	<b>8,159,676</b>	<b>8,431,691</b>	<b>(284,156)</b>
Fund balances at 1 September 2014		667,005	(1,316,957)	14,221,176	13,571,224	13,855,380
<b>Fund balances at 31 August 2015</b>		<b>1,439,044</b>	<b>(1,816,981)</b>	<b>22,380,852</b>	<b>22,002,915</b>	<b>13,571,224</b>

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006. A statement of total recognised gains and losses is not required as all gains and losses are included in the statement of financial activities.

All of the academy's activities derive from continuing operations during the two financial periods above.



# PENINSULA LEARNING TRUST

## BALANCE SHEET

AS AT 31 AUGUST 2015

	Notes	2015 £	2014 £
<b>Fixed assets</b>			
Tangible assets	11	22,154,838	14,186,547
<b>Current assets</b>			
Debtors	12	299,414	212,668
Cash at bank and in hand		2,392,472	837,954
		2,691,886	1,050,622
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	13	(630,809)	(316,945)
<b>Net current assets</b>		2,061,077	733,677
<b>Net assets excluding pension liability</b>		24,215,915	14,920,224
Defined benefit pension liability	17	(2,213,000)	(1,349,000)
<b>Net assets</b>		22,002,915	13,571,224
<b>Funds of the academy trust:</b>			
<b>Restricted funds</b>	15		
- Fixed asset funds		22,380,852	14,221,176
- General funds		396,019	32,043
- Pension reserve		(2,213,000)	(1,349,000)
<b>Total restricted funds</b>		20,563,871	12,904,219
<b>Unrestricted income funds</b>	15	1,439,044	667,005
<b>Total funds</b>		22,002,915	13,571,224

The accounts were approved by order of the board of trustees and authorised for issue on 10-12-15

PG Marshall  
Chair

Company Number 07565242

# PENINSULA LEARNING TRUST

## CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £	2014 £
Net cash inflow/(outflow) from operating activities	18	864,311	(73,075)
Cash funds transferred on conversion		608,811	-
<b>Returns on investments and servicing of finance</b>			
Investment income	12,093	13,971	
<b>Net cash inflow/(outflow) from returns on investments and servicing of finance</b>		12,093	13,971
		1,485,215	(59,104)
<b>Capital expenditure and financial investments</b>			
Capital grants received	303,721	654,742	
Payments to acquire tangible fixed assets	(234,418)	(1,314,070)	
<b>Net cash flow from capital activities</b>		69,303	(659,328)
<b>Increase/(decrease) in cash</b>	19	1,554,518	(718,432)

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### 1 Accounting policies

##### 1.1 Basis of preparation

The accounts have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

##### 1.2 Going concern

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

##### 1.3 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from the maintained school to an academy trust have been valued at their fair value being a reasonable estimate of the current market values that the trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Peninsula Learning Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as a gift in the SOFA and analysed under unrestricted, restricted general and restricted fixed assets funds.

##### 1.4 Incoming resources

All incoming resources are recognised when the academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

###### Grants receivable

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

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

###### Sponsorship income

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable, where there is certainty of receipt and the value of the donation is measurable.

###### Donations

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

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

#### 1 Accounting policies

(Continued)

##### Other income

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

#### 1.5 Resources expended

All expenditure is recognised in the period in which a liability is incurred and has been classified under headings that aggregate all costs related to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

##### Costs of generating funds

These are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

##### Charitable activities

These are costs incurred on the academy trust's educational operations.

##### Governance costs

These include the costs attributable to the academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

#### 1.6 Tangible fixed assets and depreciation

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. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Leasehold land	over term of lease
Leasehold property	2% per annum on cost
Computer equipment	33% per annum on cost
Fixtures, fittings & equipment	25% per annum on cost
Motor vehicles	20% per annum on cost

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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.

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 1 Accounting policies

(Continued)

#### 1.7 Leasing and hire purchase commitments

Rentals payable under operating leases are charged against income on a straight line basis over the period of the lease.

#### 1.8 Taxation

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

#### 1.9 Pensions 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 and the assets are held separately from those of the academy trust.

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 quinquennial valuations using a prospective benefit method. As stated in Note 17, the TPS is a multi-employer scheme and the academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions are recognised as they are paid each year.

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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

#### 1.10 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Education Funding Agency.

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 2 Voluntary income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Capital grants	-	10,000	10,000	-
Other donations	7,233	1,419	8,652	4,255
	<u>7,233</u>	<u>11,419</u>	<u>18,652</u>	<u>4,255</u>

### 3 Activities for generating funds

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Hire of facilities	38,565	-	38,565	21,721
Other income	18,419	-	18,419	450
	<u>56,984</u>	<u>-</u>	<u>56,984</u>	<u>22,171</u>

### 4 Investment income

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Short term deposits	12,093	-	12,093	13,971
	<u>12,093</u>	<u>-</u>	<u>12,093</u>	<u>13,971</u>

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 5 Funding for the academy trust's educational operations

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
<b>DfE / EFA grants</b>				
General annual grant (GAG)	-	8,559,134	8,559,134	6,599,881
Capital grants	-	293,721	293,721	654,742
Other DfE / EFA grants	-	888,841	888,841	385,653
	-	9,741,696	9,741,696	7,640,276
<b>Other government grants</b>				
Local authority grants	-	89,577	89,577	18,099
Other grants	-	25,000	25,000	6,000
	-	114,577	114,577	24,099
<b>Other funds</b>				
Hosting Trainee Teachers income	310,664	-	310,664	144,488
Other incoming resources	598,248	-	598,248	162,822
	908,912	-	908,912	307,310
<b>Total funding</b>	908,912	9,856,273	10,765,185	7,971,685

### 6 Resources expended

	Staff costs £	Premises costs £	Other costs £	Total 2015 £	Total 2014 £
<b>Academy's educational operations</b>					
- Direct costs	6,318,105	-	823,836	7,141,941	5,182,012
- Allocated support costs	1,153,032	913,236	1,303,803	3,370,071	2,406,113
	7,471,137	913,236	2,127,639	10,512,012	7,588,125
<b>Other expenditure</b>					
Governance costs	-	-	17,596	17,596	36,113
<b>Total expenditure</b>	7,471,137	913,236	2,145,235	10,529,608	7,624,238

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 6 Resources expended

(Continued)

Net income/(expenditure) for the year includes:	2015 £	2014 £
Operating leases		
- Plant and machinery	118,174	85,484
- Other	1,800	-
Loss/(profit) on disposal of fixed assets	-	1,119
Fees payable to auditor		
- Audit	4,500	3,009
- Other services	6,565	7,878
	<u>          </u>	<u>          </u>

#### Central services

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

- human resources;
- financial services;
- IT support;
- facilities management;
- legal services; and
- a school improvement programme.

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

- 4% of GAG

The amounts charged during the year were as follows:

	Total £
Penrice Academy	154,600
Carclaze CP School	18,900
Mevagissey CP School	5,100
St Mewan CP School	33,700
	<u>          </u>
	212,300
	<u>          </u>



# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 7 Charitable activities

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
<b>Direct costs</b>				
Teaching and educational support staff costs	64,680	6,217,748	6,282,428	4,579,258
Technology costs	609	171,968	172,577	-
Educational supplies and services	-	383,890	383,890	236,789
Examination fees	-	99,560	99,560	121,264
Staff development	-	35,677	35,677	33,852
Other direct costs	-	167,809	167,809	210,849
	<u>65,289</u>	<u>7,076,652</u>	<u>7,141,941</u>	<u>5,182,012</u>
<b>Allocated support costs</b>				
Support staff costs	45,150	1,107,882	1,153,032	807,482
Depreciation	-	568,701	568,701	446,179
Technology costs	-	30,533	30,533	138,440
Recruitment and support	-	23,517	23,517	42,206
Maintenance of premises and equipment	-	344,535	344,535	183,144
Cleaning	-	155,224	155,224	121,358
Energy costs	-	121,700	121,700	87,051
Rent and rates	-	73,904	73,904	47,277
Insurance	-	78,247	78,247	126,060
Security and transport	-	13,518	13,518	10,906
Catering	-	242,897	242,897	173,619
Interest and finance costs	-	34,000	34,000	10,000
Other support costs	128,516	401,747	530,263	212,391
	<u>173,666</u>	<u>3,196,405</u>	<u>3,370,071</u>	<u>2,406,113</u>
<b>Total costs</b>	<u>238,955</u>	<u>10,273,057</u>	<u>10,512,012</u>	<u>7,588,125</u>

### 8 Governance costs

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Legal and professional fees	-	-	-	226
Auditor's remuneration				
- Audit of financial statements	-	4,500	4,500	3,009
- Other audit costs	-	600	600	7,878
Support staff costs	-	-	-	25,000
Other governance costs	-	12,496	12,496	-
	<u>-</u>	<u>17,596</u>	<u>17,596</u>	<u>36,113</u>

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

### 9 Staff costs

	2015 £	2014 £
Wages and salaries	5,913,797	4,275,887
Social security costs	382,504	309,322
Other pension costs	1,037,833	684,241
	<u>7,334,134</u>	<u>5,269,450</u>
Supply teacher costs	84,526	63,233
Compensation payments	16,800	79,057
Staff development and other staff costs	35,677	33,852
	<u>7,471,137</u>	<u>5,445,592</u>
Total staff costs		

The average number of persons (including senior management team) employed by the academy trust during the year expressed as full time equivalents was as follows:

	2015 Number	2014 Number
Teachers	106	74
Administration and support	93	58
Management	8	9
	<u>207</u>	<u>141</u>

The number of employees whose annual remuneration was £60,000 or more was:

	2015 Number	2014 Number
£60,001 - £70,000	2	2
£70,001 - £80,000	2	-
£90,001 - £100,000	-	1
£100,001 - £110,000	-	1
£110,001 - £120,000	1	-
	<u></u>	<u></u>

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

#### 9 Staff costs

(Continued)

Of the employees above, the number participating in pension schemes and the employers' contributions paid on their behalf were as follows:

		2015	2014
Teachers' Pension Scheme	Numbers	5	4
	£	46,862	42,845
Local Government Pension Scheme	Numbers	-	-
	£	-	-

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £16,800 (2014: £79,057). Individually, the payments were: £8,750, £4,800 and £3,250.

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### 10 Trustees' remuneration and expenses

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The headteacher and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of headteacher and staff members under their contracts of employment, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees.

The value of trustees' remuneration and other benefits was as follows:

DMJ Parker (CEO and trustee):

- Remuneration £110,000 - £115,000 (2014: £105,000 - £110,000)
- Employer's pension contributions £15,000 - £20,000 (2014: £10,000 - £15,000)

C Bunting (staff trustee):

- Remuneration £25,000 - £30,000
- Employer's pension contributions £Nil - £5,000

MG De-Villiers (staff trustee):

- Remuneration £10,000 - £15,000 (2014: £25,000 - £30,000)
- Employer's pension contributions £Nil - £5,000 (2014: £Nil - £5,000)

S Pollard (staff trustee):

- Remuneration £35,000 - £40,000
- Employer's pension contributions £5,000 - £10,000

PG Jackson (staff trustee):

- Remuneration £15,000 - £20,000 (2014: £35,000 - £40,000)
- Employer's pension contributions £Nil - £5,000 (2014: £5,000 - £10,000)

P Towe (staff trustee):

- Remuneration £40,000 - £45,000
- Employer's pension contributions £5,000 - £10,000

During the year, travel and subsistence payments totalling £556 (2014: £Nil) were reimbursed or paid directly to one trustee (2014: no trustees).

Other related party transactions involving the trustees are set out within the related parties note.

#### Trustees' and officers' insurance

In accordance with normal commercial practice, the academy trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy trust business. The insurance provides cover up to £1,000,000 on any one claim in respect of Carclaze, Mevagissey and St Mewan Schools and £5,000,000 in respect of Penrice School and the cost for the year ended 31 August 2015 was £3,339 (2014: £1,733).

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 11 Tangible fixed assets

	Leasehold property	Computer equipment	Fixtures, fittings & equipment	Motor vehicles	Total
	£	£	£	£	£
<b>Cost</b>					
At 1 September 2014	14,827,188	432,516	361,201	-	15,620,905
Additions	132,377	80,217	21,824	-	234,418
Transfers	8,367,094	130,120	43,492	3,520	8,544,226
At 31 August 2015	23,326,659	642,853	426,517	3,520	24,399,549
<b>Depreciation</b>					
At 1 September 2014	794,472	369,229	270,657	-	1,434,358
Charge for the year	361,490	106,052	100,748	411	568,701
Transfers	164,253	58,668	16,326	2,405	241,652
At 31 August 2015	1,320,215	533,949	387,731	2,816	2,244,711
<b>Net book value</b>					
At 31 August 2015	22,006,444	108,904	38,786	704	22,154,838
At 31 August 2014	14,032,716	63,287	90,544	-	14,186,547

### 12 Debtors

	2015 £	2014 £
Trade debtors	4,044	902
VAT recoverable	43,819	108,983
Other debtors	-	936
Prepayments and accrued income	251,551	101,847
	299,414	212,668

### 13 Creditors: amounts falling due within one year

	2015 £	2014 £
Trade creditors	108,244	66,992
Taxes and social security costs	145,648	97,164
Other creditors	29,016	-
Accruals	234,759	126,911
Deferred income	113,142	25,878
	630,809	316,945

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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14	Deferred income	2015 £	2014 £
	Deferred income is included within:		
	Creditors due within one year	113,142	25,878
		<u>          </u>	<u>          </u>
	Total deferred income at 1 September 2014	25,878	47,999
	Amounts credited to the statement of financial activities	(25,878)	(47,999)
	Amounts deferred in the year	113,142	25,878
		<u>          </u>	<u>          </u>
	<b>Total deferred income at 31 August 2015</b>	<b>113,142</b>	<b>25,878</b>
		<u>          </u>	<u>          </u>

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals for the academic year 15/16, trips booked for the autumn term 2015 and contributions towards computer equipment yet to be purchased.

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 15 Funds

	Balance at 1 September 2014 £	Incoming resources £	Resources expended £	Gains, losses & transfers £	Balance at 31 August 2015 £
<b>Restricted general funds</b>					
General Annual Grant	-	8,559,134	(8,831,717)	460,957	188,374
Other DfE / EFA grants	28,903	888,841	(726,644)	-	191,100
Other government grants	-	114,577	(99,032)	-	15,545
Other restricted funds	3,140	1,419	(3,559)	-	1,000
	<u>32,043</u>	<u>9,563,971</u>	<u>(9,660,952)</u>	<u>460,957</u>	<u>396,019</u>
Funds excluding pensions	(1,349,000)	(663,000)	(61,000)	(140,000)	(2,213,000)
	<u>(1,316,957)</u>	<u>8,900,971</u>	<u>(9,721,952)</u>	<u>320,957</u>	<u>(1,816,981)</u>
<b>Restricted fixed asset funds</b>					
DfE / EFA capital grants	2,038,442	293,721	(83,546)	62,022	2,310,639
Inherited fixed asset fund	11,261,162	8,302,574	(317,504)	(139,585)	19,106,647
Capital expenditure from GAG or other funds	881,175	-	(166,193)	199,645	914,627
Private sector capital sponsorship	40,397	10,000	(1,458)	-	48,939
	<u>14,221,176</u>	<u>8,606,295</u>	<u>(568,701)</u>	<u>122,082</u>	<u>22,380,852</u>
<b>Total restricted funds</b>	<u>12,904,219</u>	<u>17,507,266</u>	<u>(10,290,653)</u>	<u>443,039</u>	<u>20,563,871</u>
<b>Unrestricted funds</b>					
General funds	<u>667,005</u>	<u>1,594,033</u>	<u>(238,955)</u>	<u>(583,039)</u>	<u>1,439,044</u>
<b>Total funds</b>	<u>13,571,224</u>	<u>19,101,299</u>	<u>(10,529,608)</u>	<u>(140,000)</u>	<u>22,002,915</u>

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

*Restricted general funds* - The restricted general fund includes grants receivable from the Education Funding Agency and the Department for Education towards the principal activity of the academy, being the provision of education.

*Restricted fixed asset funds* - The restricted fixed asset fund includes the leasehold property and furniture and equipment transferred to Penrice Academy from the local authority on 1 April 2011 and Education Funding Agency grants which have been received. The fund is being reduced by the depreciation in the year.

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

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 AUGUST 2015

### 15 Funds

(Continued)

#### Analysis of academies by fund balance

	Total £
Fund balances at 31 August 2015 were allocated as follows:	
Penrice Academy	1,115,549
Carclaze CP School	276,113
Mevagissey CP School	175,245
St Mewan CP School	184,351
Central services	83,805
	<hr/>
Funds excluding fixed asset fund and pensions reserve	1,835,063
Restricted fixed asset fund	22,380,852
Pension reserve	(2,213,000)
	<hr/>
Total funds	22,002,915
	<hr/>

Expenditure incurred by each academy during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
Penrice Academy	4,544,600	866,003	263,914	1,678,415	7,352,932
Carclaze CP School	723,193	75,645	22,770	168,274	989,882
Mevagissey CP School	187,131	33,027	27,759	67,710	315,627
St Mewan CP School	763,961	50,877	68,872	144,465	1,028,175
Central services	63,543	127,480	-	83,268	274,291
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	6,282,428	1,153,032	383,315	2,142,132	9,960,907
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

### 16 Analysis of net assets between funds

	Unrestricted funds £	Restricted funds £	Fixed asset funds £	Total funds £
Fund balances at 31 August 2015 are represented by:				
Tangible fixed assets	-	-	22,154,838	22,154,838
Current assets	1,439,044	1,026,828	226,014	2,691,886
Creditors falling due within one year	-	(630,809)	-	(630,809)
Defined benefit pension liability	-	(2,213,000)	-	(2,213,000)
	<hr/>	<hr/>	<hr/>	<hr/>
	1,439,044	(1,816,981)	22,380,852	22,002,915
	<hr/>	<hr/>	<hr/>	<hr/>



# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

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#### 17 Pensions and similar obligations

The academy 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 Cornwall Council. Both are multi-employer defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and that of the LGPS related to the period ended 31 March 2013.

Contributions amounting to £59,849 (2014: £Nil) were payable to the schemes at 31 August 2015 and are included within creditors.

#### Teachers' Pension Scheme

##### Introduction

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

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

##### Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The pension costs paid to the TPS in the period amounted to £579,156 (2014: £433,997).

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

#### 17 Pensions and similar obligations

(Continued)

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

#### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contributions are as noted below. The agreed contribution rates for future years are 24.8% for employers and 5.5 to 12.5% for employees. The estimated value of employer contributions for the forthcoming year is £571,000.

The academy has entered into an agreement with the LGPS trustees to make additional annual contributions of £54,800 in addition to normal funding levels, over a period of 20 years, in order to bridge the scheme deficit.

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.

As described in note 1 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

Contributions made	2015 £	2014 £
Employer's contributions	422,000	172,000
Employees' contributions	96,000	56,000
Total contributions	518,000	228,000

Principal actuarial assumptions	2015 %	2014 %
Rate of increase in salaries	4.5	4.4
Rate of increase for pensions in payment	2.6	2.6
Discount rate for scheme liabilities	3.7	3.7
Commutation of pensions to lump sums relating to pre April 2008 services	40	40
Commutation of pensions to lump sums relating to post April 2008 services	70	70

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

#### 17 Pensions and similar obligations

(Continued)

##### Sensitivity analysis

The sensitivities regarding the principal assumptions used to measure the scheme liabilities are set out below:

Change in assumptions as at 31 August 2015:

0.5% decrease in Real Discount Rate - 12% approximate increase to Employer Liability equating to approximately £810,000.

1 year increase in member life expectancy - 3% approximate increase to Employer Liability equating to approximately £201,000.

0.5% increase in the Salary Increase Rate - 5% approximate increase to Employer Liability equating to approximately £365,000.

0.5% increase in the Pension Increase Rate - 6% approximate increase to Employer Liability equating to approximately £421,000.

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

	2015 Years	2014 Years
Retiring today		
- Males	22.2	22.2
- Females	24.4	24.4
Retiring in 20 years		
- Males	24.4	24.4
- Females	26.8	26.8

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	2015 Expected return %	2015 Fair value £	2014 Expected return %	2014 Fair value £
Equities	3.7	1,835,000	6.2	1,254,000
Bonds	3.7	2,236,000	3.2	947,000
Property	3.7	313,000	4.5	142,000
Other assets	3.7	89,000	3.3	24,000
Total market value of assets		4,473,000		2,367,000
Present value of scheme liabilities - funded		(6,686,000)		(3,716,000)
Net pension asset / (liability)		(2,213,000)		(1,349,000)

The expected rate of return on assets are set equal to the discount rate as per the forthcoming FRS 102 disclosure requirements.

The actual return on scheme assets was £71,000 (2014: £219,000).

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

### 17 Pensions and similar obligations

(Continued)

#### Amounts recognised in the statement of financial activities

	2015 £	2014 £
<b>Operating costs/(income)</b>		
Current service cost (net of employee contributions)	438,000	230,000
Past service cost	11,000	-
Total operating charge	449,000	230,000
<b>Finance costs/(income)</b>		
Expected return on pension scheme assets	(160,000)	(108,000)
Interest on pension liabilities	194,000	118,000
Net finance costs/(income)	34,000	10,000
<b>Total charge/(income)</b>	483,000	240,000

#### Actuarial gains and losses recognised in the statement of financial activities

	2015 £	2014 £
Actuarial (gains)/losses on assets: actual return less expected	89,000	(233,000)
Experience (gains)/losses on liabilities	(8,000)	365,000
(Gains)/losses arising from changes in assumptions	59,000	540,000
Total (gains)/losses	140,000	672,000
Cumulative (gains)/losses to date	1,778,000	1,638,000

#### Movements in the present value of defined benefit obligations

	2015 £	2014 £
Obligations at 1 September 2014	(3,716,000)	(2,445,000)
Obligations acquired on conversion	(2,249,000)	-
Current service cost	(438,000)	(230,000)
Interest cost	(194,000)	(118,000)
Contributions by employees	(96,000)	(56,000)
Actuarial gains/(losses)	(51,000)	(905,000)
Benefits paid	69,000	38,000
Past service cost	(11,000)	-
At 31 August 2015	(6,686,000)	(3,716,000)

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

#### 17 Pensions and similar obligations

(Continued)

##### Movements in the fair value of scheme assets

	2015 £	2014 £
Assets at 1 September 2014	2,367,000	1,836,000
Assets acquired on conversion	1,586,000	-
Expected return on assets	160,000	108,000
Actuarial gains/(losses)	(89,000)	233,000
Contributions by employers	422,000	172,000
Contributions by employees	96,000	56,000
Benefits paid	(69,000)	(38,000)
At 31 August 2015	4,473,000	2,367,000

##### History of experience gains and losses

	2015 £	2014 £	2013 £	2012 £
Present value of defined benefit obligations	(6,686,000)	(3,716,000)	(2,445,000)	(2,054,000)
Fair value of share of scheme assets	4,473,000	2,367,000	1,836,000	1,434,000
Surplus / (deficit)	(2,213,000)	(1,349,000)	(609,000)	(620,000)
Experience adjustment on scheme assets	(89,000)	233,000	101,000	(119,000)
Experience adjustment on scheme liabilities	8,000	(365,000)	-	-

#### 18 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2015 £	2014 £
Net income	8,571,691	387,844
Capital grants and similar income	(303,721)	(654,742)
Net deficit/(surplus) transferred on conversion	(8,248,385)	-
Investment income	(12,093)	(13,971)
Defined benefit pension costs less contributions payable	27,000	58,000
Defined benefit pension finance costs/(income)	34,000	10,000
Depreciation of tangible fixed assets	568,701	445,060
Losses/(profits) on disposals of fixed assets	-	1,119
(Increase)/decrease in debtors	(86,746)	(88,420)
Increase/(decrease) in creditors	313,864	(217,965)
Net cash inflow/(outflow) from operating activities	864,311	(73,075)

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

<b>19</b>	<b>Reconciliation of net cash flow to movement in net funds</b>	<b>2015</b>	<b>2014</b>
		<b>£</b>	<b>£</b>
	Increase/(decrease) in cash	1,554,518	(718,432)
	Net funds at 1 September 2014	837,954	1,556,386
	<b>Net funds at 31 August 2015</b>	<b>2,392,472</b>	<b>837,954</b>

<b>20</b>	<b>Analysis of net funds</b>	<b>At 1 September 2014</b>	<b>Transferred on conversion</b>	<b>Cash flows</b>	<b>Non-cash changes</b>	<b>At 31 August 2015</b>
		<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
	Cash at bank and in hand	837,954	608,811	945,707	-	2,392,472

### 21 Commitments under operating leases

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

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
Expiry date:		
- Within one year	60,385	-
- Between two and five years	47,594	82,698
	<b>107,979</b>	<b>82,698</b>

### 22 Capital commitments

	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
At 31 August 2015 the company had capital commitments as follows:		
Expenditure contracted for but not provided in the accounts	213,213	-

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 AUGUST 2015

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### 23 Related parties

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

*The Roseland Community College* - Mrs J Parker, director of finance and business is the wife of D Parker, CEO and key member of staff. Transactions totalling £800 relating to services provided to and £200 for services provided by The Roseland Community College were received/paid during the year. There were no amounts outstanding at 31 August 2015. In entering into the transactions the academy trust has complied with the requirements of the EFA's Academies Financial Handbook.

*Stephen Scown Solicitors* - P Marshall, trustee, is a partner. Transactions totalling £700 relating to services provided to Peninsula Learning Trust were paid during the year. There were no amounts outstanding at 31 August 2015. In entering into the transactions the academy trust has complied with the requirements of the EFA's Academies Financial Handbook.

*V Marshall* - wife of P Marshall, a trustee. Transactions totalling £6,418 relating to employment as a teaching assistant (including employer's pension contributions) took place in the year. There were no amounts outstanding at 31 August 2015.

*J Johns* - wife of K Johns, a trustee. Transactions totalling £8,704 relating to employment as a teaching assistant (including employer's pension contributions) took place in the year. There were no amounts outstanding at 31 August 2015.

# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 AUGUST 2015

#### 24 Conversion to an academy

On 1 February 2015 Carclaze Community Primary School and Mevagissey Community Primary converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Peninsula Learning Trust from Cornwall Council for £nil consideration.

Also, on 1 February 2015 St Mewan Community Primary School joined Peninsula Learning Trust and all operations, assets and liabilities were transferred to Peninsula Learning Trust from this academy for £nil consideration.

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

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

<b>Academy</b>	<b>Location</b>	<b>Date of conversion</b>		
Carclaze CP School	St Austell	1 February 2015		
Mevagissey CP School	St Austell	1 February 2015		
St Mewan CP School	St Austell	1 February 2015		

<b>Funds surplus/(deficit) transferred:</b>	<b>Unrestricted funds</b>	<b>Restricted funds</b>	<b>Fixed asset funds</b>	<b>Total 2015</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Fixed assets funds	-	-	8,302,574	8,302,574
LA budget funds	397,386	-	-	397,386
LGPS pension funds	-	(663,000)	-	(663,000)
Other funds	211,425	-	-	211,425
	<u>608,811</u>	<u>(663,000)</u>	<u>8,302,574</u>	<u>8,248,385</u>

<b>Net assets transferred:</b>	<b>£</b>
Leasehold land and buildings	8,202,841
Tangible fixed assets apart from land and buildings	99,733
Cash	608,811
Pension surplus/(deficit)	(663,000)
	<u>8,248,385</u>



# PENINSULA LEARNING TRUST

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 31 AUGUST 2015**

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### **25 Post balance sheet events**

After the year end, the following schools converted to academy trust status and joined Peninsula Learning Trust.

<b>Academy</b>	<b>Location</b>	<b>Date of conversion</b>
Lostwithiel Primary School	Lostwithiel	1 September 2015
Fowey Primary School	Fowey	1 September 2015

### **26 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 or she is a member, or within one year after he or she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he or she ceases to be a member.