
CREATING TOMORROW MULTI ACADEMY TRUST

(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019



CREATING TOMORROW MULTI ACADEMY TRUST
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REFERENCE AND ADMINISTRATIVE DETAILS

Members	D P Collarbone S Welsh J Stallard
Trustees	K J Latham, CEO and Accounting Officer J L Boyt J Payne, Chair of Trustees A Bailey (resigned 30 September 2019) L Saunders, Vice Chair A Botterill (resigned 31 August 2019) P Maddison (resigned 1 October 2019) T McHugh (appointed 25 February 2019) J Duggan (appointed 25 September 2019)
Company registered number	09392862
Company name	Creating Tomorrow Multi Academy Trust
Principal and registered office	Eastleigh Road Kettering Northamptonshire NN15 6PT
Senior management teams - Trust	K J Latham, Chief Executive Officer A Murphy, Chief Finance Officer E Bushell, Chief Operating Officer
Independent auditors	Streets Audit LLP 3 Wellbrook Court Girton Cambridge CB3 0NA
Bankers	Lloyds Bank Plc 3-4 Market Street Kettering Northamptonshire NN16 0AH

CREATING TOMORROW MULTI ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

Structure, governance and management

a. Constitution

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

The charitable company's Trust deed is the primary governing document of the academy.

The Trustees of Creating Tomorrow Multi Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Creating Tomorrow Multi Academy Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Trustees' indemnities

Subject to the provisions of the Companies Act 2006, every Trustee or other officer or auditor of the Trust shall be indemnified out of the assets of the Trust against any liability incurred in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favor or in which they are acquitted or in connection with any application in which relief is granted by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Trust.

d. Method of recruitment and appointment or election of Trustees

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Trust deed.

e. Policies adopted for the induction and training of Trustees

Daventry Hill School, Wren Spinney and Isebrook are strategic partners of Maplefields Teaching School Alliance and are members of Fairfields Teaching School Alliance making full use of all training provided, also using local government training for new trustees. New trustees access induction training and through the NGA governors' self-assessment of skills training can be identified for the whole board of trustees and for individuals.

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

Structure, governance and management (continued)

f. Organisational structure

Members	
Dame Pat Collarbone	School Leadership, Education management and change: Skills and expertise: Wealth of experience leading education improvement and change across whole sectors nationally. Running successful business leading change management across private and public sector organisations
Jayne Stallard	Member bringing breadth and depth of experience in education and special educational needs with particular expertise in the area of mental health and wellbeing in educational contexts. Additional skills in organisational change, leadership and management development and multi-professional working.
Stuart Welch	Strategy development and implementation, Business Excellence assessment and the application of continuous improvement methodologies.

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

Structure, governance and management (continued)

Trustees	Designation	Roles	Sub-Committee	Skills and Experience
Andrew Bailey	Community Director		Audit & Risk (Chair)	Education management, financial management, Skills and Expertise: Director of large Land Based Studies FE College with proven record of improving student experience through leading and developing high performing teams.
Ann Botterill	Community Director		Business and Performance, Pay & Personnel (Vice Chair)	Education and Leadership. Skills and expertise: Employed as teacher for students with wide range of severe and complex needs for over 40 years, set up of a unit for students with MDVI whilst working for RNIB, governor and subsequently Chair of Governors
Jane Boyt	Community Director	Vice Chair of Directors	Audit & Risk	HR and Leadership. Skills and experience: Change and HR consultant supporting change across public and private sector. Leadership development. Chair of Governors at 2 schools and founding Director of a free school
Kevin Latham	Chief Executive Officer		Business and Performance, Pay & Personnel	CEO - Leadership, Education Improvement, HR, Finance, Data handling Skills and expertise: Employed as headteacher for 6 years, leading Learning and Teaching of SEN both within own schools and strategic direction across local authority of SEN as Chair of Special Heads group in Warwickshire i.e. working with LA and stakeholders to implement SEND reforms. Leading and managing teams of professionals through change and development. CEO of a MAT and now headteacher of a SAT - fulfilling duties as principal accounting officer.
Peter Maddison	Community Director		Business and Performance, Pay & Personnel (Chair)	Trustee bringing extensive strategic, leadership and managerial experience. Specialist in Governance, Performance Management, Financial Management, Change Management and Business Planning. Experienced in leadership of local statutory partnerships

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

Structure, governance and management (continued)

Jeannette Payne	Community Director	Chair of Directors	Audit & Risk (Vice Chair)	Leadership. Skills / experience – as a matron of a large unit - leadership & management, knowledge of health sector. Has served as a governor at 2 schools for 9 years – education and governance
Linda Saunders	Community Director		Business and Performance, Pay & Personnel	Business and Human Resources: Skills / experience: Running a successful media company and FD of a large stone quarry – finance, business and HR skills.
Trevor McHugh	Community Director		Business and Performance, Pay & Personnel	Finance, project management, fund raising. Skills / Experience – fundraising in public and private sectors, work with local charities. Last 6 years employed by Wicksteed Park as project developer and fundraiser. Trustee of a charity that worked in partnership with local schools to offer mentoring
Stuart Welch	Community Director		Audit and Risk	Strategy development and implementation, Business Excellence assessment and the application of continuous improvement methodologies.

Trust Leadership Team:

Chief Executive Officer – Kevin Latham
Chief Finance Officer – Anthea Murphy
Chief Operating Officer – Esther Bushel

Centralised Trust Staff Members:

Network Manager
Payroll Manager
Trust Finance Officer

Role	Isebrook SEN College	Wren Spinney Special School	Daventry Hill School
Executive Headteacher	0.3	0	0.3
Headteacher	0	1	0
Head of School	1	0	1
Assistant Headteacher	2	1	2
Middle Leaders (Key Stage / Phase)	5	3	5
Teachers (fte)	22.8	9.8	20
Classroom / Curriculum Support Assistants	64.1	28.6	45
Pastoral Support	7	1	4
Therapy Staff	2	0	0
Administrative Support	7	3	6
Premises	3	2	1

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

Structure, governance and management (continued)

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

As a Multi Academy Trust, Creating Tomorrow MAT is committed to following the recommendations set out in the School Teachers Pay and Conditions Document (STPCD), which is updated yearly by the DfE.

Pay for the Key Management Personnel (Leadership) is overseen by the Remuneration Committee of the Trust board and are guided by the "Determination of the school's headteacher group" (Part 2 of the STPCD, paragraph 7) and then following guidance the rest of the leadership pay is determined.

Remuneration is decided yearly through a rigorous appraisal cycle, focussing on performance throughout the year and progress towards agreed objectives. Appraisal of the Chief Executive officer, Headteacher and heads of school is overseen by a panel of directors who have support from an external independent advisor. Subsequent leadership appraisal is overseen by the as relevant by the Chief Executive Officer, Headteacher and heads of school.

Any recommendations for changes in pay are presented to the Remuneration Committee who then report directly to the full board of trustees.

h. Related parties and other connected charities and organisations

Creating Tomorrow Multi Academy Trust consists of 3 special academies; Isebrook SEN College (convertor academy 1 March 2015), Wren Spinney Special School (convertor academy 1 September 2017 and Daventry Hill School (joined the Trust on 1 October 2018).

i. Trade union facility time

The academy had no employees who were relevant union officials during the period.

Objectives and activities

a. Objects and aims

Overall aims of the business;

- Ensure the quality of education provided
- Ensure the spiritual, moral, social and cultural development of pupils
- Ensure the welfare, health and safety of pupils
- Ensure the suitability of staff, supply staff, proprietors and accommodation

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

Objectives and activities (continued)

b. Objectives, strategies and activities

Focus for 2018-19

Governance:

1. Ensure a Creating Tomorrow annual plan is in place including finance and central services requirements
 - a. Trust Annual plan in place for the year
 - b. Aligned school development plans
 - c. Key Performance Indicators (KPIs) agreed and reported on
 - d. Standard reporting format for Heads across the trust
2. Ensure a process is applied in all schools to identify staff requirements including succession planning
 - a. Process defined and applied with appropriate measure reviewed at Trust Board
 - b. Capture current / existing process
 - c. Describe demographics over the coming 3 years
 - d. Define staffing processes
3. Ensure a structure is in place for the measurement of learner development across all schools
 - a. Structured and implementation measure defined and being used
 - b. Model in place across all schools with quality assurance processes
 - c. Assessment system trialled ready for use 2019-20
 - d. Student progress meetings structured to ensure inform practice and developments
4. Ensure that a safeguarding and welfare system is in place within each school
 - a. A process defined and applied with appropriate measures reviewed at the Trust Board
 - b. Audit tool in place
 - c. Statutory training delivered across the trust
 - d. Compliance tracker being used
 - e. Use of KPIs to report to LGB
5. Bed down the role of Members, Trustees and LGBs
 - a. Roles defined and skills audited and an improvement plan put in place (including measure and target outcomes)
 - b. Review of scheme of delegation to clarify accountabilities and responsibilities of Trust, Committees and LGB to ensure effective separation of duties and clear accountabilities and robust governance
 - c. Audit of the effectiveness of current arrangements to ensure sufficient rigour, challenge and focus across all MAT activities including learning
 - d. Review Terms of reference for the Trust and its committees and for the LGB to ensure robust assurance and governance
 - e. Set up and run briefings for Members, Trustees and LGBs to ensure they are clear on their roles and accountabilities

Learners & Teaching:

1. Curriculum offered to meet the needs of all learners
 - a. Audit each child's Education and Health Care plan to inform curriculum
 - b. Annual review training delivered by Local Authority
 - c. Training delivered by LA EHCP team, Annual reviews in place and process in place to challenge
 - d. Trust curriculum philosophy and model developed for schools to articulate in their own particular context

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

Objectives and activities (continued)

2. Individualised support in place for students to manage emotions and social interactions
 - a. Provision for pupils mapped
 - b. Working model in place and informing discussions around assessment and interventions.
 - c. KPIs used for LGB
3. Ensure the achievements of learners are measured
 - a. Evidence for Learning trialled across the trust, skills builder being launched to promote PfA Outcomes
 - b. PfA Assessment model used to inform EHCP
 - c. KPI documents updated and produced for LGB

Leadership & Management:

1. Ensure central services are staffed according to annual plan and that school staffing plans are identified and implemented
 - a. Staff number metrics defined and reported to the Trust Board by the CEO
 - b. Develop trust Recruitment and Retention Policy
 - c. Attract staff who are committed to Creating Tomorrow's and its vision and values and to make Creating Tomorrow the employer of choice for SEN and all staff
 - d. Staff able to effectively support students to meet their outcomes
 - e. CPD for coaching and leadership including training trainers to coach staff
 - f. Ensure that central services team are in place according to the staffing plan
 - g. Ensure that school staffing is implemented in line with staffing plan
2. Ensure finances in place and deployed to meet Creating Tomorrow annual plan
 - a. Finance metrics defined and reported to the Trust Board by the CEO
 - b. Accurate and timely monthly reporting of Budgets vs Actuals with variance analysis and commentary
 - c. Forecasts carried out on a quarterly basis to enable decisions and actions to be made
 - d. Annual budgets prepared with a 5 year rolling plan

Staff & Community:

1. Ensure staff performance in all schools is measured
 - a. Consistent reporting to trustees
 - b. KPIs defined, consistent reporting mechanism and frequency
 - c. Decide on exception reporting criteria and parameters
 - d. Audit of current application of policy (QA process)

Safeguarding:

1. Ensure Creating Tomorrow safeguarding and welfare standards are set and met in each school
 - a. Trust policy with areas highlighted for heads to personalise for school context
 - b. KPI documents produced for LGB, report underpinning the data being reviewed
 - c. Audit tool in place, ready to be used Term 6

c. Public benefit

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

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

Strategic report

Achievements and performance

a. Key performance indicators

The key performance indicators of the trust are set out below:

<i>Outstanding</i>		<i>Good</i>		<i>Requiring Improvement</i>		<i>Inadequate</i>	
Area		Daventry Hill		Isebrook		Wren Spinney	
Overall Effectiveness	Nov	a. CPD for staff – specifically SEN	Nov	a. The quality of teaching learning and assessment is not rigorous	Nov	a. Embed the new curriculum and purposeful assessment system.	
	Jan	b. L&M – showing impact of action	Jan	b. The curriculum is not consistently well-planned or joined-up,	Jan	b. Staffing structure and new appointments in place.	
	Mar	c. Curriculum – primary review	Mar		Mar	c. Ensure compliancy in statutory processes/policies.	
	Jul	d. Safeguarding – attendance	Jul		Jul		
Leadership and Management	Nov	a. In all areas – showing outcomes of monitoring e.g. pupil prog – areas for support, implementation and impact	Nov	a. QA meetings held across the MAT to share reflections and agree next steps	Nov	a. To implement a robust quality monitoring cycle to be able to demonstrate impact of what we do.	
	Jan		Jan		Jan	b. CPD programme to be implemented to ensure compliancy and aligned to meet needs of all our learners.	
	Mar		Mar		Mar	c. Clear evidence and impact of pupil premium spend.	
	Jul		Jul		Jul	d. Website compliancy.	
Quality of Teaching Learning and Assessment	Nov	a. Act on QA information to improve teaching	Nov	a. Barriers to learning not fully ID'ed	Nov	a. Not enough is outstanding – use of assessment and personalisation	
	Jan		Jan	b. AFL Strategies are not consistent	Jan	b. To ensure every student has an implemented communication system.	
	Mar	b. Clearer process for progress reporting	Mar	c. Differentiation not consistently planned for	Mar		
	Jul		Jul		Jul		
Personal Development, Behaviour Safety and Welfare	Nov	a. Attendance monitoring and impact of work carried out	Nov	a. Medical and social and mental health issues managed even better	Nov	a. Student attendance.	
	Jan		Jan	b. Strategies for supporting SEMH	Jan		
	Mar		Mar		Mar		
	Jul		Jul		Jul		
Outcomes	Nov	a. analysis to be completed to identify vulnerable groups	Nov	a. reading and writing and focus on EHCP outcomes	Nov		
	Jan		Jan		Jan		
	Mar	b. EHCP Process and Impact	Mar		Mar		
	Jul		Jul		Jul		
Effectiveness of Early Years Provision	Nov	a. Evaluation of monitoring and outcomes	Nov	N/A	Nov	N/A	
	Jan	b. New curriculum to be implemented	Jan		Jan		
	Mar	c. Define expectations	Mar		Mar		
	Jul		Jul		Jul		
Effectiveness of 6 th Form Provision	Nov	N/A	Nov	a. Teaching not consistently good	Nov	a. To ensure there are pathways and appropriate programmes for 6 th form students. CPD aligned with development needs.	
	Jan		Jan	b. Curriculum not fully personalised	Jan		
	Mar		Mar		Mar		
	Jul		Jul		Jul		

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

Strategic report (continued)

Achievements and performance (continued)

School Development Plan Priorities:

Daventry Hill	Isebrook	Wren Spinney
Through effective staff support (professional development and performance management) and CPD staff are able to effectively support pupils and students to meet their outcomes	Through effective staff support (professional development and performance management) and CPD staff are able to effectively support students to meet their outcomes	Through effective staff support (professional development and performance management) and CPD staff are able to effectively support students to meet their outcomes
Focus on teaching with plans supported by Teaching School		
Ensure the curriculum reflects the needs of all pupils and students with an assessment model that tracks progress through the curriculum	The curriculum offered at Isebrook meets the needs of all students, especially those with Severe Learning Difficulties, offering the opportunities for development of skills and knowledge to prepare them for the next stages in their life, with an assessment scheme that not only accurately identifies next steps in learning but celebrates success.	Ensure the curriculum reflects the needs of all students with an assessment model that tracks progress through the curriculum
Curriculum model in place, long term and medium term maps being reviewed to ensure coverage and learning sequenced	Curriculum maps being updated in line with curriculum intent	Curriculum still being developed with teachers- 'Wardrobe of activities'
The school has a coherent assessment policy and procedures through which pupils' and students' strengths, skills and areas for development are clearly identified	The school has an assessment system (consistent across the MAT) that captures all aspects of a student's strengths, skills and areas for development are clearly identified.	The school has a coherent assessment policy and procedures through which pupils' strengths, skills and areas for development are clearly identified
Assessment system being trialled by teachers	Assessment system being trialled by teachers	Assessment system being trialled by teachers
At least 80% of pupils and students make at least expected progress in English and Maths through teachers effectively using AfL strategies	Reading: All teachers will be able to know and identify the next steps for learning focused on the development of reading skills for all students in their class, so they are able to demonstrate measurable progress. Writing: All teachers will be able to know and identify the next steps for learning focused on the development of writing skills for all students in their class, so they are able to demonstrate measurable progress. Maths- Post-16: Teachers will be able to know and identify the next steps for learning focused on the development and application of maths skills for all students in their class, so they are able to demonstrate measurable progress.	At least 80% of students making at least expected progress in English and maths through teachers effectively using AfL strategies
Pupils and students are supported to manage their emotions and social interactions through individualised supports	Personal wellbeing of students and staff is promoted and strategies identified to support individuals	
The environment at Daventry Hill School supports pupils and students access to learning and maximises opportunities for development	Teachers are able to implement strategies to remove barriers to learning and so enable all students to access learning	
Summer works being planned		

Student Progress:

Outstanding >75% above	Good ≥70% expected	Requiring Improvement ≥50% expected	Inadequate
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End of Year Progress:

Previous Year –Progress Towards Minimum Expected End of Key Stage Outcomes (July 2018)									
%	English	Speak	Listen	Read	Write	Maths	Science	PSHE	ICT
DHS Primary	60			71	79	72			
DHS Secondary	41			43	46	51			
Isebrook	73	72	76	64	55	71	87	75	66
Wren Spinney	70	69		76	66	65		60	

Current Year –Progress Towards Minimum Expected End of Key Stage Outcomes (July 2019)								
%	English	Speak	Listen	Read	Write	Maths	PSHE	EHCP
DHS	79↑	87↑		78↑	72↑	85↑	81↑	83↑
Isebrook	79↑	85↑	81↑	81↑	77↑	81↑	85↑	N/A
Wren Spinney	93↑	94↑		92↑	92↑	92↑	92↑	90

↑ ↓ = trend in numbers of students confidently making expected progress

Data suggests an improving picture of progress, however to be certain we need to implement rigorous internal and external standardisation and moderation

From September Inspectors will not use schools' internal data, they will look at our process and our process of moderation. Our new QA cycle will be a key tool in demonstrating outcomes.

Data from September will be gathered using MAP2 (assessment criteria to quantify level of prompting, fluency, maintenance and generalisation) and uploaded to Evidence for Learning

Schools are working to map Preparation for Adulthood outcomes across the age groups so focus on the skills that are more relevant for our students and link to EHCPs

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

Strategic report (continued)

Achievements and performance (continued)

Personnel:

Staff Recruitment and Retention (2018-19)												
School	Daventry Hill			Isebrook			Wren Spinney			MAT		
Term	Aut	Spr	Sum	Aut	Spr	Sum	Aut	Spr	Sum	Aut	Spr	Sum
Total Staff	68	71	72	102	103	101	50	50	50	4	5	6
Teachers (fte)	18	19	20	24.8	22.8	22.8	9.8	9.8	9.8	1.6	1.6	1.6
Teaching Support (fte)	41	45	45	63.1	65.1	64.1	27.6	28.6	28.6	0	0	0
Non-teaching Support	7	7	7	9	10	10	6.2	5.2	5.2	1.4	2.4	3.4
Resignations	10	6	5	4	2	1	0	1	1	0	0	0
Appointments	13	12	8	7	3	0	3	3	0	0	1	1

Schools are managing their staffing in line with budgets, however there is still a challenge in capacity at a leadership level and recruiting to some specific posts, for example qualified teachers at Daventry Hill and Wren Spinney. A culture of 'grow your own' is useful in retention; however there is an effect on the quality of teaching while staff are training.

Statutory Compliance:

Overall Trust compliance	
Compliant	70%
Needs Review	17%
Not compliant	12%

Overall compliance by school			
	Daventry	Isebrook	Wren
Compliant	64%	75%	71%
Needs Review	12%	19%	20%
Not Compliant	23%	5%	8%

Overall compliance by area			
	Compliant	Review	Not compliant
Financial Management	80%	9%	9%
GDPR	94%	3%	1%
Health & Safety	65%	17%	17%
Policies & Documents	62%	23%	14%
Recruitment Checks	92%	0%	7%
Safeguarding	67%	24%	8%
Website	41%	40%	18%

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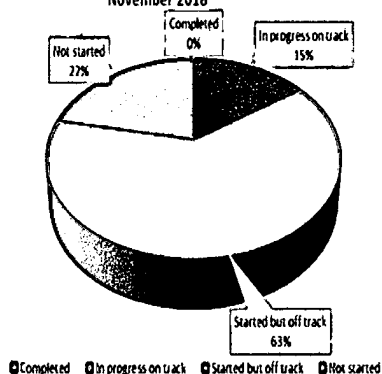
TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

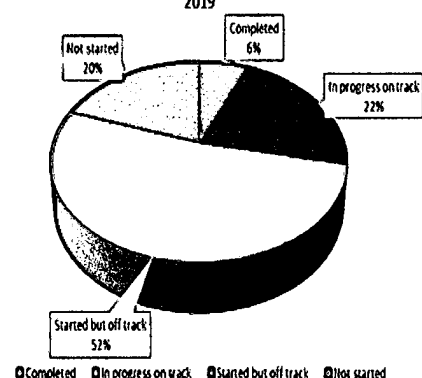
Achievements and performance (continued)

MAT Development Priorities 2018-19 (OGSM)

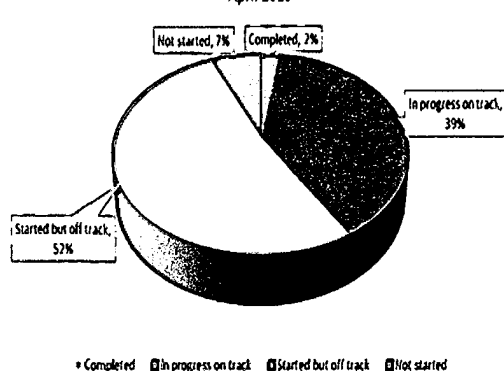
Progress Towards Trust Development Goals in Scope 2018-19
November 2018



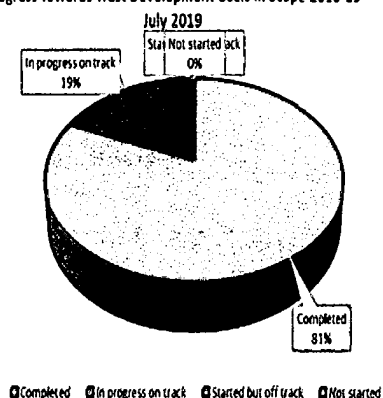
Progress Towards Trust Development Goals in Scope 2018-19 January 2019



Progress Towards Trust Development Goals in Scope 2018-19
April 2019



Progress Towards Trust Development Goals in Scope 2018-19
July 2019



b. Going concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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

Strategic report (continued)

Financial review

a. Reserves policy

The Trustees require a revenue reserve to be created to fund future expenditure related to the Academy Development Plan's strategic long-term aims and developments and a capital reserve for future capital expenditure. The policy of the Academy is to carry forward a prudent level of resources designed to meet the long-term cyclical needs of renewal and any other unforeseen contingencies.

The Trust has built up reserves to cover uncertainties in funding over the coming years. SEN funding from the Local Authority is changing and it is difficult to predict funding going forward. The Trustees are confident that the level of reserves will cover any shortfall in funding. Reserves have also been allocated to increase capacity in the Trust in preparation for further schools joining.

b. Investment policy

The academy aims to manage its cash balances to provide for the day-to-day working capital requirements of its operations, whilst protecting the real long-term value of any surplus cash balances against inflation. In addition, the academy aims to invest surplus cash funds to optimise returns, whilst ensuring that the investment instruments are such that there is no risk to the loss of these funds. Investments may only be made in accordance with written procedures approved by the Trustees.

c. Principal risks and uncertainties

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

- Reputational risk – mitigated by having policies and practices relating to safeguarding and use of media which are monitored and updated when necessary.
- Performance Risk - mitigated by the school evaluating its performance throughout the year. There is also a school improvement plan which makes provision in respect of recruitment, CPD and reorganisation to manage risk.
- Financial Risk – the principal risk factors are a reduction in pupil numbers, reduction in Government funding, unbudgeted costs of teaching and support staff costs and unforeseen capital repairs. These risks are mitigated by monitoring and reporting to Trustees on a termly basis and predictive measures in financial planning.
- Risks associated with personnel – there is absence insurance in place to mitigate the risk. HR policies have been developed with the guidance of an HR provider.

The academy trust practices through its Board, namely the Board of Trustees and the constituted subcommittees, risk management principles. Any major risks highlighted at any sub-committee are brought to the main Board with proposed mitigating actions and they continue to be reported until the risk is adequately mitigated.

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

Strategic report (continued)

Financial review (continued)

The Board of Trustees accepts managed risk as an inevitable part of its operations but maintains an objective not to run unacceptable levels of risk in any area. The subjective nature of this process requires major risks to be resolved by the board of trustees collectively, whilst more minor risks are dealt with by senior executive officers.

Fundraising

Consistent with other schools, a low level of fundraising is performed throughout the year.

Plans for future periods

What are we trying to improve?

Excellence in Learning & Teaching:

- Set up a post 16 service including a 19-25 college or provision which enables students to continue to develop their education and life skills
- Students to make good progress towards outcomes
- Students at the Trust to feel safe and underpinned by positive relationships
- Curriculum offered to meet the needs of all learners
- Our students to feel happy

Inspiring, Engaging & Professional Leadership:

- Ensure a Creating Tomorrow annual plan is in place including finance and central services requirements
- Ensure a process is applied in all schools to identify staff requirements including succession planning
- Ensure central services are developed to meet the needs of schools
- Ensure finances and planned, in place and deployed, to support Creating Tomorrow's strategies and programmes
- All staff to add value to the Trust
- Staff in all schools to be developing to their full potential
- Staff in all schools to feel valued and supported

Strong & Effective Governance:

- All Members, Trustees and Governors understand their role in leading in the Trust
- Creating Tomorrow Trust has a clear understanding of its risk appetite in order to meet its strategic objectives
- That the culture across the Trust ensures that safeguarding is robust

Positive Impact & Influence Locally, Regionally and Nationally:

- Increase the number of schools in the MAT
- Demonstrate a positive impact on our local community and a positive influence on SEN issues at a local, regional and national level

Funds held as custodian on behalf of others

The Academy Trust does not hold funds as custodian trustee on behalf of others.

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The academy carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The academy has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the academy's equal opportunities policy, the academy has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

Full details of these policies are available from the academy's offices.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 auditors are 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 17 December 2019 and signed on its behalf by:


.....
J Payne
Chair of Trustees

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the CEO, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Creating Tomorrow Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 6 times during the year.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
K J Latham, CEO and Accounting Officer	5	6
J L Boyt	5	6
J Payne, Chair of Trustees	6	6
A Bailey	1	6
L Saunders, Vice Chair	6	6
A Botterill	6	6
P Maddison	3	6
T McHugh	4	4

A skills audit was performed internally during the year which identified training and support for the board which we are looking to fill.

The Finance Committee, moving forward as a MAT was split into a Business PPP Committee and an Audit and Risk Committee at the start of the year, is a sub-committee of the main board of trustees. Its purpose is to ensure proper financial administration arrangements are in place that enables the board of trustees to fulfil its statutory responsibilities for financial management and also demonstrates the achievement of key financial administration standards required by Ofsted and the Audit Commission.

Attendance at the Audit and Risk Committee Meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
K J Latham	4	5
J Payne	5	5
J L Boyt	4	5
A Bailey	4	5

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Attendance at the Business PPP Committee meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
K J Latham	4	5
L Saunders	3	5
A Botterill	5	5
P Maddison	3	5
T McHugh	1	1

Review of value for money

As accounting officer, the CEO has responsibility for ensuring that the Trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the Board of Trustees where value for money can be improved, including the use of benchmarking data where appropriate. The accounting officer for the Trust has delivered improved value for money during the year by:

Targeted Improvement:

There are development plans in place detailing the priorities of the Trust and individual schools that are costed with clear aims and success criteria.

Staffing for classes is based on student need as identified by the matrix in use by the Local Authority. This is then reviewed on a regular basis to ensure resources are used effectively in order that students are safe and able to make the best progress possible.

Focus on Individual Students:

Resources are identified through students' Education Health and Care Plans (or Statements of Educational Need if not already transferred) and in order to support individual students, all have an Individual Education Plan, developed through discussion with families and other professionals. The school curriculum goes above academic teaching to enhance the development of physical, social, emotional and behavioural skills. All students are able to access a range of activities and therapies. The schools support the training of staff to enable the delivery of a range of therapies; individual and small group activities, such as music, and a wide and varied alternative curriculum. There is also significant additional support for pastoral and welfare support and communication needs.

Space is made available for health care specialists, such as Speech and Language Therapists and nursing staff in order that they can work on site with students. This supports families and reduces the time that would be spent in travelling to access the services in other locations. There is a collegiate approach with the school staff to ensure the best possible outcomes for students.

Collaboration:

Administration staff are deployed across the Trust and the individual schools in order to ensure cost effective ordering and use of resources. There are also regular skills sharing of staff and close collaboration of all of the Senior Leadership Team.

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

The Academies are part of the special schools network in Northamptonshire who work closely together. This includes regular Head Teacher meetings and Deputies meetings where current changes/issues are discussed and ways of improvement considered. All schools are also strategic partners of Maplefields Teaching School Alliance that supports the continuing Professional Development of the staff ensuring value for money through a collaborative approach and sharing of expertise.

New Initiatives:

The LA is supporting All academies with building works to improve the provision and offer, and in respect of Isebrook to increase the school's capacity by 25%, so by securing future provision and funding.

Quantifying Improvements:

The schools regularly review data to ensure student progress. This is done in collaboration with the Schools' Improvement Advisor and the Local Authority. Gaps are identified and appropriate interventions put in place to support improvement. School data in achievement, behaviour and safety and attendance show that the schools are at least Good.

Financial Governance and Oversight/Reviewing controls and managing risks:

During the year the Trust has had an audit of internal systems and procedures and an audit of finances, ensuring that the trust is acting in accordance with the Academies Financial Handbook. The new finance recording and reporting system (PS Financials) has been installed and has supported financial management.

The trust has a Financial Control Policy in place covering all areas of finance. We also have a completed Risk Register. This ensures compliance with the Academies Financial Handbook. Areas include clear delegation and distribution of roles and responsibilities; this also ensures appropriate division of duties.

There is a 5-year budget plan (linked to the Development Plans) agreed by the Board of Trustees. This is monitored by the Chief Finance Officer (CFO) who reports to the Accounting Officer any issues/areas of concern. The CFO provides a detailed report covering all areas to the Board of Trustees. Trustees ensure that projects will benefit the school, whilst also being cost effective and affordable, for example as the new buildings are being completed Trustees will ensure the spaces are being utilized fully for the benefit of our students.

Better Purchasing:

Contracts are being reviewed regularly to ensure that best value is achieved and 3 quotes are required on all expenditure over £10,000 and wherever possible on expenditure over £1,000.

The outcome for the Trust on these processes is that we have a better service and are making financial savings.

We are certain of our financial regularity.

The outcome for the Trust on these processes is that we have a better service and have made a financial saving. We are certain of our financial regularity.

Better Income Generation:

Income generation is an area for development as the trust is being established however is an area that our finance team will be able to focus on.

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money (continued)

Lessons Learned:

The trust is aware that there are areas to develop and is committed to ensure that financial systems are transparent and robust, and that reporting to Trustees is clear so that they are able to discharge their duties. The trust continues to strive for best value. There is an openness to different ways of working and continual review of resources to ensure impact on students' progress.

The trust understands that it needs to use a range of resources to ensure best value.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies; aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Creating Tomorrow Multi Academy Trust for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

The risk and control framework

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Julia Raftery Consulting Limited as internal auditor.

The audit report produced informs the Board of Trustees, through the business committee, on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

On an annual basis, the internal auditor reports to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework (continued)

The programme of work was delivered as planned and recommendations are being actioned.


Review of effectiveness


As accounting officer, the CEO 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 internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

The accounting officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 17 December 2019 and signed on their behalf by:


.....
J Payne
Chair of Trustees


.....
K J Latham
Accounting Officer

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As accounting officer of Creating Tomorrow Multi Academy Trust I have considered my responsibility to notify the academy board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy, under the funding agreement in place between the academy and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

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

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

K J Latham
Accounting Officer
Date: 17/12/19



CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

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

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

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


- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 17 December 2019 and signed on its behalf by:


.....
J Payne
Chair of Trustees

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the academy's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Responsibilities of trustees

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Robert Anderson (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

3 Wellbrook Court

Girton

Cambridge

CB3 0NA

Date: 19/12/19

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated 11 October 2017 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Creating Tomorrow Multi Academy Trust during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of Creating Tomorrow Multi Academy Trust's funding agreement with the Secretary of State for Education dated 11 October 2017 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- A review of the academy's systems and controls and confirmation of the operation and effectiveness during the year;
- A review of expenditure to confirm the appropriateness and value for money; and
- A review of connected party arrangements, transactions and balances.

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Conclusion

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



Robert Anderson (Senior statutory auditor)

Streets Audit LLP
3 Wellbrook Court
Girton
Cambridge
CB3 0NA

Date: 19/12/19

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants:	3					
Transferred from Daventry Hill School		33,008	462,455	11,489,095	11,984,558	-
Transfer on conversion		-	-	-	-	1,354,056
Other donations and capital grants		-	-	226,116	226,116	15,020
Charitable activities	4	-	8,279,956	-	8,279,956	5,124,920
Other trading activities	5	31,992	-	-	31,992	11,423
Investments	6	4,013	-	-	4,013	509
Total income		69,013	8,742,411	11,715,211	20,526,635	6,505,928
Expenditure on:						
Charitable activities	8	-	8,391,401	243,492	8,634,893	5,286,179
Total expenditure		-	8,391,401	243,492	8,634,893	5,286,179
Net income		69,013	351,010	11,471,719	11,891,742	1,219,749
Transfers between funds	17	-	(36,744)	36,744	-	-
Net movement in funds before other recognised gains/(losses) carried forward		69,013	314,266	11,508,463	11,891,742	1,219,749

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Net movement in funds before other recognised gains brought forward		69,013	314,266	11,508,463	11,891,742	1,219,749
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	22	-	(1,103,000)	-	(1,103,000)	448,000
Net movement in funds		69,013	(788,734)	11,508,463	10,788,742	1,667,749
Reconciliation of funds:						
Total funds brought forward		-	(1,100,998)	13,736,726	12,635,728	10,967,979
Net movement in funds		69,013	(788,734)	11,508,463	10,788,742	1,667,749
Total funds carried forward		69,013	(1,889,732)	25,245,189	23,424,470	12,635,728

The Statement of financial activities includes all gains and losses recognised in the year.

The notes on pages 33 to 58 form part of these financial statements.

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 09392862

BALANCE SHEET
AS AT 31 AUGUST 2019

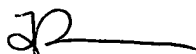
	Note	2019 £	2018 £
Fixed assets			
Tangible assets	14	24,933,559	13,736,726
		<u>24,933,559</u>	<u>13,736,726</u>
Current assets			
Debtors	15	561,840	373,420
Cash at bank and in hand		1,887,344	960,864
		<u>2,449,184</u>	<u>1,334,284</u>
Creditors: amounts falling due within one year	16	(252,273)	(381,282)
Net current assets		<u>2,196,911</u>	<u>953,002</u>
Total assets less current liabilities		<u>27,130,470</u>	<u>14,689,728</u>
Net assets excluding pension liability		<u>27,130,470</u>	<u>14,689,728</u>
Defined benefit pension scheme liability	22	(3,706,000)	(2,054,000)
Total net assets		<u><u>23,424,470</u></u>	<u><u>12,635,728</u></u>

CREATING TOMORROW MULTI ACADEMY TRUST
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Funds of the academy			
Restricted funds:			
Fixed asset funds	17	25,245,189	13,736,726
Restricted income funds	17	1,816,268	953,002
Restricted funds excluding pension asset	17	27,061,457	14,689,728
Pension reserve	17	(3,706,000)	(2,054,000)
Total restricted funds	17	23,355,457	12,635,728
Unrestricted income funds	17	69,013	-
Total funds		23,424,470	12,635,728

The financial statements on pages 28 to 58 were approved by the Trustees, and authorised for issue on 17 December 2019 and are signed on their behalf, by:



J Payne
Chair of Trustees

The notes on pages 33 to 58 form part of these financial statements.

CREATING TOMORROW MULTI ACADEMY TRUST
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STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	19	987,759	548,659
Cash flows from investing activities	20	(61,279)	(100,415)
Change in cash and cash equivalents in the year		926,480	448,244
Cash and cash equivalents at the beginning of the year		960,864	512,620
Cash and cash equivalents at the end of the year	21	<u>1,887,344</u>	<u>960,864</u>

The notes on pages 33 to 58 form part of these financial statements

CREATING TOMORROW MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

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

1. Accounting policies (continued)

1.3 Income

All incoming resources are recognised when the academy has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

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

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

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

- **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

- **Other income**

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

- **Transfer of existing academies into the academy**

Where assets and liabilities are received on the transfer of an existing academy into the academy, the transferred assets are measured at fair value and recognised in the Balance sheet at the point when the risks and rewards of ownership pass to the academy. An equal amount of income is recognised for the transfer of an existing academy into the academy within 'Income from Donations and Capital Grants' to the net assets acquired.

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity.

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

CREATING TOMORROW MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.5 Interest receivable

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

1.6 Tangible fixed assets

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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

Depreciation is provided on the following bases:

Land and buildings	- Not depreciated
Leasehold improvements	- 10% Straight Line
Furniture and equipment	- 10% Straight Line
Computer equipment	- 33% Straight Line
Motor vehicles	- 20% Straight Line

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of financial activities.

1.7 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.8 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

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

1. Accounting policies (continued)

1.9 Liabilities

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

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.11 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

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

1. Accounting policies (continued)

1.12 Fund accounting

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

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

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

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

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Tangible fixed assets are recognised at cost or valuation, less accumulated depreciation and any impairment. Depreciation takes place over the estimated useful life, down to the assessed residual value. The carrying amount of the academy's fixed assets is tested as soon as changed conditions show that a need for impairment has arisen.

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

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Net Assets of Daventry Hill transferred into MAT	33,008	462,455	11,489,095	11,984,558
Capital Grants	-	-	226,116	226,116
	<u>33,008</u>	<u>462,455</u>	<u>11,715,211</u>	<u>12,210,674</u>
	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Net Assets of Wren Spinney transferred into MAT	343,431	(1,095,000)	2,105,625	1,354,056
Capital Grants	-	-	15,020	15,020
	<u>343,431</u>	<u>(1,095,000)</u>	<u>2,120,645</u>	<u>1,369,076</u>

CREATING TOMORROW MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

4. Funding for the academy's educational operations

	Restricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
DfE/ESFA grants			
General Annual Grant (GAG)	3,639,581	3,639,581	1,952,464
Other ESFA grants	224,928	224,928	156,271
	<u>3,864,509</u>	<u>3,864,509</u>	<u>2,108,735</u>
Other government grants			
Other government grants	3,914,008	3,914,008	2,900,517
	<u>3,914,008</u>	<u>3,914,008</u>	<u>2,900,517</u>
Other funding			
Other income	501,439	501,439	115,668
	<u>501,439</u>	<u>501,439</u>	<u>115,668</u>
	<u>8,279,956</u>	<u>8,279,956</u>	<u>5,124,920</u>

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Hire of premises	31,992	31,992	11,423
	<u>31,992</u>	<u>31,992</u>	<u>11,423</u>

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	<i>Total funds 2018 £</i>
Bank interest received	4,013	4,013	509
	<u>4,013</u>	<u>4,013</u>	<u>509</u>

CREATING TOMORROW MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
Educational Operations:				
Direct costs	5,845,624	-	703,570	6,549,194
Allocated support costs	1,041,446	397,177	647,076	2,085,699
	<u>6,887,070</u>	<u>397,177</u>	<u>1,350,646</u>	<u>8,634,893</u>

	Staff Costs 2018 £	Premises 2018 £	Other 2018 £	Total 2018 £
Educational Operations:				
Direct costs	3,670,293	-	355,805	4,026,098
Allocated support costs	557,821	249,346	452,914	1,260,081
	<u>4,228,114</u>	<u>249,346</u>	<u>808,719</u>	<u>5,286,179</u>

8. Analysis of expenditure by activities

	Direct costs 2019 £	Support costs 2019 £	Total funds 2019 £
Educational Operations	<u>6,549,194</u>	<u>2,085,699</u>	<u>8,634,893</u>

	Direct costs 2018 £	Support costs 2018 £	Total funds 2018 £
Educational Operations	<u>4,026,098</u>	<u>1,260,081</u>	<u>5,286,179</u>

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

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total funds 2019 £	<i>Total funds 2018 £</i>
Staff costs	5,845,624	3,670,293
Educational supplies	443,585	103,755
Examination fees	5,088	10,520
Staff recruitment and development	49,117	54,385
Technology costs	5,837	10,924
Educational supplies and consultancy	89,139	72,976
Travel and subsistence	6,711	6,863
Other	104,093	96,382
	<u>6,549,194</u>	<u>4,026,098</u>

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Pension income	66,000	58,000
Staff costs	1,041,446	557,821
Depreciation	132,345	32,433
Technology costs	50,403	54,633
Maintenance of premises and equipment	153,292	106,678
Cleaning	90,801	51,096
Rent	12,970	12,423
Energy	140,114	79,151
Insurance	48,175	26,070
Catering	57,041	17,085
Other	51,870	107,476
CIF expenditure	94,933	-
Professional fees	136,382	144,715
Audit fees	9,927	12,500
	<u><u>2,085,699</u></u>	<u><u>1,260,081</u></u>

9. Net income

Net income for the year includes:

	2019 £	2018 £
Operating lease rentals	12,970	12,423
Depreciation of tangible fixed assets	132,345	32,432
Fees paid to auditors for:		
- audit	12,000	9,500
- other services	3,000	3,000
	<u><u>147,315</u></u>	<u><u>57,355</u></u>

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

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	4,922,389	3,094,687
Social security costs	412,125	249,506
Pension costs	1,188,364	804,815
	<u>6,522,878</u>	<u>4,149,008</u>
Supply teacher costs	364,192	79,106
	<u>6,887,070</u>	<u>4,228,114</u>

b. Staff numbers

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

	2019 No.	2018 No.
Teachers	55	31
Administration and support	188	121
Management	11	16
	<u>254</u>	<u>168</u>

The average headcount expressed as full-time equivalents was:

	2019 No.	2018 No.
Teachers	53	30
Administration and support	126	109
Management	10	10
	<u>189</u>	<u>149</u>

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

10. Staff costs (continued)

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	-	1
In the band £70,001 - £80,000	2	1
In the band £90,001 - £100,000	1	1
	<u> </u>	<u> </u>

d. Key management personnel

The key management personnel of the Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £246,127 (2018 £240,038).

11. Central services

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

- Financial services
- Human resources; and
- IT support

The academy charges for these services on the following basis:

The charges for central services made to the individual academies are based on a flat percentage of annual ESFA General Annual Grant funding at 5%.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Isebrook SEN Cognition & Learning College	174,954	40,563
Wren Spinney Community School	68,050	16,199
Daventry Hill School	155,582	-
	<u> </u>	<u> </u>
Total	398,586	56,762
	<u> </u>	<u> </u>

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

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2019	2018
		£	£
K J Latham, Head Teacher and Accounting Officer	Remuneration	95,000 -	90,000 -
		100,000	95,000
	Pension contributions paid	15,000 -	15,000 -
		20,000	20,000
A J Shiells	Remuneration		15,000 -
			20,000
	Pension contributions paid		5,000 -
			10,000
S Rustage	Remuneration		0 - 5,000
	Pension contributions paid		0 - 5,000

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

13. Trustees' and Officers' insurance

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

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

14. Tangible fixed assets

	Land and Buildings £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2018	13,630,775	88,449	63,877	38,758	13,821,859
Additions	-	46,778	18,514	-	65,292
Transfer in from Daventry Hill School	11,416,661	64,034	268,342	-	11,749,037
At 31 August 2019	25,047,436	199,261	350,733	38,758	25,636,188
Depreciation					
At 1 September 2018	2,261	21,329	35,788	25,755	85,133
Charge for the year	7,259	9,824	107,510	7,752	132,345
Transfer in from Daventry Hill School	358,006	3,998	123,147	-	485,151
At 31 August 2019	367,526	35,151	266,445	33,507	702,629
Net book value					
At 31 August 2019	24,679,910	164,110	84,288	5,251	24,933,559
At 31 August 2018	13,628,514	67,120	28,089	13,003	13,736,726

Land and Buildings transferred on conversion are held under a 125 year lease and are stated at valuations which the trustees believe are appropriate. Subsequent additions are stated at cost.

The Land and Buildings transferred in to the Trust upon Daventry Hill joining was freehold.

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

15. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	139,377	66,242
Other debtors	204,961	211,696
Prepayments and accrued income	217,502	95,482
	<u>561,840</u>	<u>373,420</u>

16. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	63,085	86,236
Other taxation and social security	-	109,664
Other creditors	1,985	3,156
Accruals	187,203	182,226
	<u>252,273</u>	<u>381,282</u>

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

17. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	-	36,005	-	33,008	-	69,013
Unrestricted Funds Transferred from Daventry Hill	-	33,008	-	(33,008)	-	-
	<u>-</u>	<u>69,013</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,013</u>
Restricted general funds						
General Annual Grant (GAG)	953,002	3,639,581	(3,329,026)	552,711	-	1,816,268
Other ESFA Grant	-	224,928	(224,928)	-	-	-
Other Government Grants	-	3,914,008	(3,914,008)	-	-	-
Other Income	-	501,439	(501,439)	-	-	-
Restricted Funds Transferred from Daventry Hill	-	589,455	-	(589,455)	-	-
Pension reserve	(2,054,000)	(127,000)	(422,000)	-	(1,103,000)	(3,706,000)
	<u>(1,100,998)</u>	<u>8,742,411</u>	<u>(8,391,401)</u>	<u>(36,744)</u>	<u>(1,103,000)</u>	<u>(1,889,732)</u>
Restricted fixed asset funds						
Assets transferred on conversion	13,574,018	11,263,886	(132,345)	228,000	-	24,933,559
Assets acquired with funding	162,708	-	-	(162,708)	-	-
ESFA capital grants	-	58,592	(16,214)	(28,548)	-	13,830
CIF Grant	-	167,524	(94,933)	-	-	72,591
Capital Funds Transferred from Daventry Hill	-	225,209	-	-	-	225,209

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

17. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
	13,736,726	11,715,211	(243,492)	36,744	-	25,245,189
Total Restricted funds	12,635,728	20,457,622	(8,634,893)	-	(1,103,000)	23,355,457
Total funds	12,635,728	20,526,635	(8,634,893)	-	(1,103,000)	23,424,470

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

Unrestricted funds:

General funds - those resources which may be used towards meeting any of the objects of the academy at the discretion of the Trustees. These have not been designated for particular purposes.

Restricted funds:

General Annual Grant (GAG) - made up of a number of different funding streams from the ESFA, all of which are to be used to cover the running costs of the academy.

Other ESFA/Government grants - represent ESFA grants received for specific purposes.

Pension reserve - represents the current deficit balance of the Local Government Pension Scheme (LGPS).

Restricted fixed asset funds:

ESFA capital grants - represents grants received for which the specific purpose of capital expenditure has been imposed by the funder.

Assets transferred on conversion - represents land, buildings and other assets transferred to the academy by the Local Authority upon conversion.

Assets acquired with funding - represents the net book value of assets acquired using DFC income.

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

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

17. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Isebrook SEN Cognition & Learning College	586,505	494,486
Wren Spinney Community Special School	546,799	458,026
Daventry Hill School	727,365	-
Trust	24,612	490
	<u>1,885,281</u>	<u>953,002</u>
Total before fixed asset funds and pension reserve	1,885,281	953,002
Restricted fixed asset fund	25,245,189	13,736,726
Pension reserve	(3,706,000)	(2,054,000)
	<u>23,424,470</u>	<u>12,635,728</u>
Total	23,424,470	12,635,728

Total cost analysis by academy

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 2019 £
Isebrook SEN Cognition & Learning College	2,786,348	421,055	204,318	475,969	3,887,690
Wren Spinney Community Special School	947,312	267,301	74,633	269,947	1,559,193
Daventry Hill School	1,808,388	400,184	164,634	304,802	2,678,008
Trust	303,576	18,906	-	55,175	377,657
	<u>5,845,624</u>	<u>1,107,446</u>	<u>443,585</u>	<u>1,105,893</u>	<u>8,502,548</u>
Academy	5,845,624	1,107,446	443,585	1,105,893	8,502,548

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17. Statement of funds (continued)

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

	<i>Balance at 1 September 2017 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2018 £</i>
Unrestricted funds						
General Funds	330,832	469,383	-	(800,215)	-	-
Restricted general funds						
General Annual Grant (GAG)	169,538	2,018,235	(1,934,062)	699,291	-	953,002
Other ESFA Grants	-	90,500	(90,500)	-	-	-
Other Government Grants	-	2,902,165	(2,902,165)	-	-	-
Pension reserve	(1,095,000)	(1,095,000)	(312,000)	-	448,000	(2,054,000)
	<u>(925,462)</u>	<u>3,915,900</u>	<u>(5,238,727)</u>	<u>699,291</u>	<u>448,000</u>	<u>(1,100,998)</u>
Restricted fixed asset funds						
Assets transferred on conversion	11,468,393	2,105,625	-	-	-	13,574,018
Assets acquired with funding	94,216	-	(32,432)	100,924	-	162,708
ESFA capital grants	-	15,020	(15,020)	-	-	-
	<u>11,562,609</u>	<u>2,120,645</u>	<u>(47,452)</u>	<u>100,924</u>	<u>-</u>	<u>13,736,726</u>
Total Restricted funds	<u>10,637,147</u>	<u>6,036,545</u>	<u>(5,286,179)</u>	<u>800,215</u>	<u>448,000</u>	<u>12,635,728</u>
Total funds	<u>10,967,979</u>	<u>6,505,928</u>	<u>(5,286,179)</u>	<u>-</u>	<u>448,000</u>	<u>12,635,728</u>

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18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	24,933,559	24,933,559
Current assets	69,013	2,854,578	311,630	3,235,221
Creditors due within one year	-	(1,038,310)	-	(1,038,310)
Provisions for liabilities and charges	-	(3,706,000)	-	(3,706,000)
Total	69,013	(1,889,732)	25,245,189	23,424,470

Analysis of net assets between funds - prior year

	<i>Restricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	13,736,726	13,736,726
Current assets	1,334,284	-	1,334,284
Creditors due within one year	(381,282)	-	(381,282)
Provisions for liabilities and charges	(2,054,000)	-	(2,054,000)
Total	(1,100,998)	13,736,726	12,635,728

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19. Reconciliation of net income to net cash flow from operating activities

	2019 £	2018 £
Net income for the year (as per Statement of financial activities)	11,891,742	1,219,749
Adjustments for:		
Depreciation	132,345	32,432
Interest receivable	(4,013)	(509)
Defined benefit pension scheme cost less contributions payable	356,000	312,000
Defined benefit pension scheme finance cost	66,000	-
Increase in debtors	(974,457)	(200,605)
Increase in creditors	657,028	196,217
Non-cash assets and liabilities from local authority on conversion	-	(1,354,056)
Net gain on assets and liabilities from local authority on conversion	-	343,431
Non-cash assets transferred in to MAT	(11,136,886)	-
Net cash provided by operating activities	987,759	548,659

20. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	4,013	509
Purchase of tangible fixed assets	(65,292)	(100,924)
Net cash used in investing activities	(61,279)	(100,415)

21. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	884,144	960,864
Notice deposits (less than 3 months)	1,003,200	-
Total cash and cash equivalents	1,887,344	960,864

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22. Pension commitments

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

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

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

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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22. Pension commitments (continued)

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

The employer's pension costs paid to TPS in the year amounted to £269,000 (2018 - £154,000).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £601,000 (2018 - £425,000), of which employer's contributions totalled £472,000 (2018 - £327,000) and employees' contributions totalled £ 129,000 (2018 - £98,000). The agreed contribution rates for future years are 22 per cent for employers and 12.5 per cent for employees.

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

Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	2.60	2.70
Rate of increase for pensions in payment/inflation	2.30	2.40
Discount rate for scheme liabilities	1.80	2.80

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.2	22.1
Females	23.3	24.2
<i>Retiring in 20 years</i>		
Males	22.3	23.9
Females	24.7	26.1

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22. Pension commitments (continued)

Sensitivity analysis

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	2,237,000	1,558,000
Corporate bonds	528,000	316,000
Property	280,000	168,000
Cash and other liquid assets	62,000	63,000
Total market value of assets	3,107,000	2,105,000

The actual return on scheme assets was £75,000 (2018 - £45,000).

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

	2019 £	2018 £
Current service cost	(801,000)	(577,000)
Past service cost	(27,000)	-
Interest income	75,000	45,000
Interest cost	(141,000)	(103,000)
Total amount recognised in the Statement of financial activities	(894,000)	(635,000)

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22. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	4,159,000	2,100,000
Transferred in on existing academies joining the trust	400,000	1,698,000
Current service cost	801,000	577,000
Interest cost	141,000	103,000
Employee contributions	129,000	80,000
Actuarial losses/(gains)	1,159,000	(396,000)
Benefits paid	(3,000)	(3,000)
Past service costs	27,000	-
At 31 August	6,813,000	4,159,000

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

	2019 £	2018 £
At 1 September	2,105,000	1,005,000
Transferred in on existing academies joining the trust	273,000	603,000
Interest income	75,000	45,000
Actuarial gains	56,000	52,000
Employer contributions	472,000	323,000
Employee contributions	129,000	80,000
Benefits paid	(3,000)	(3,000)
At 31 August	3,107,000	2,105,000

23. Operating lease commitments

At 31 August 2019 the academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £
Not later than 1 year	4,327
Later than 1 year and not later than 5 years	11,899
	16,226

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24. Members' liability

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

25. Related party transactions

As disclosed in the register of business interest there are a couple of family members of the Trustees employed by the academy. The Trustees confirm that all individuals were fairly recruited and their performance has been managed in the normal way; their employment is considered to be of benefit to the academy.

No other related party transactions were noted during the period.

26. Transfer of existing academies into the academy

Transferred-in Daventry Hill School

	Value reported by transferring trust £	Transfer in recognised £
Tangible fixed assets		
Freehold property	11,058,655	11,058,655
Furniture and equipment	60,036	60,036
Computer equipment	145,195	145,195
Current assets		
Debtors due after one year	276,682	276,682
Cash at bank and in hand	837,319	837,319
Liabilities		
Creditors due within one year	(266,329)	(266,329)
Pensions		
Pensions - pension scheme assets	273,000	273,000
Pensions - pension scheme liabilities	(400,000)	(400,000)
Net assets	<u>11,984,558</u>	<u>11,984,558</u>