

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

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**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members	Mr J De Ferras Mr P O'Brien Mrs E Painter Mrs A Nicholson
Trustees	Mrs D C Easter (resigned 31 August 2016) ¹ Mr P O'Brien ² Mr W T Hermon ^{1,2} Mrs S Chapman (resigned 31 August 2016) ² Mr A J Jackson ² Mrs A Jefferies Mrs C Paul ² Mr P Smith ^{1,2} Mr G Barriball ^{1,2} Mrs S Cooksey (appointed 26 January 2016) Mrs N Taylor (appointed 26 January 2016, resigned 9 September 2016) Mrs R Couch (appointed 6 October 2016)
	¹ Resources & Staffing Committee (incorporating Audit Committee) ² School Improvement & Strategic Development Committee
Company registered number	08156955
Company name	An Daras Multi Academy Trust
Principal and registered office	Roydon Road Launceston Cornwall PL15 8HL
Company secretary	Mrs T Martin
Accounting officer	Mr W T Hermon
Senior management team	Mr W Hermon, Chief Executive Officer Mrs J Callow, Executive Headteacher Miss D Taylor, Head of School Mr A Terry, Head of School Mrs S Chapman, Head of School Mrs S Basford, Trust Business Manager Mrs C Green, Academy Improvement Officer
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2016. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 5 primary academies in Launceston. Its academies have a combined pupil capacity of 780 and had a roll of 737 in the school census on 1 January 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

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

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on page 1.

Members' Liability

Each member of the charitable company undertakes to contribute to the assets of the 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 they ceased to be a member.

Trustees' Indemnities

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 4 Trustees who are appointed by members
- up to 6 Community Trustees who are appointed by the Trustee board
- the Chief Executive Officer who is treated for all purposes as being a voting Director

Trustees are appointed for a four year period, except that this time limit does not apply to the Executive Head teacher. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy Trusts development. The Trust commissioned an external skills audit of its Board of Directors skills and competencies in May 2016. This has been used to plan Director/Trustee training and development to support further expansion of the Trust.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Academy Trust has a Trustee Recruitment, Induction and Training policy available from the Clerk to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of Academy Trust schools and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

to undertake their role as Trustees. Induction for new trustees tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority, Diocese of Truro and other bodies.

Organisational Structure

The Board of Trustees (Directors) normally meets once each term. The Board establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees, including a Local Governing Body committee for each school for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 6 committees as follows;

- Resources and Staffing Committee - this meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, premises management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.
- School Improvement and Strategic Development Committee - this meets once a term to monitor, evaluate and review Academy policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues. It also considers all matters relating to admissions.
- Local Governing Advisory Committee (St Stephens Community Academy) – this meets twice a term to monitor, evaluate and review the St Stephens policy, practice and performance in relation to curriculum planning, target setting and assessment, examinations and parent and pupil welfare.
- Local Governing Advisory Committee (Windmill Hill Academy) - this meets twice a term to monitor, evaluate and review Windmill Hill policy, practice and performance in relation to curriculum planning, target setting and assessment, examinations and parent and pupil welfare.
- Local Governing Advisory Committee (North Petherwin and Werrington Primary Federation) – From Jan 16 this meets twice a term to monitor, evaluate and review North Petherwin and Werrington policy, practice and performance in relation to curriculum planning, target setting and assessment, examinations and parent and pupil welfare.
- Local Governing Advisory Committee (St Catherines VC Primary) – From May 16 this meets twice a term to monitor, evaluate and review St Catherines policy, practice and performance in relation to curriculum planning, target setting and assessment, examinations and parent and pupil welfare.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the CEO and/or Executive Head teachers and Clerk to the Trustees, to approve the Annual Trust Improvement Plan and budget.

The Trustees are responsible for setting general policy, adopting an Annual Improvement Plan and cyclical governance plan and budget, approving the statutory accounts, monitoring the Academy Trust by the use of budgets and other data, and making major decisions about the direction of the Academy Trust, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy Trust to the CEO and Senior Academy Leadership Team (SALT). The SALT comprises the CEO, Executive Head teachers, Academy Improvement Officer, Heads of Schools and the Academy Business Manager. The SALT implement the policies laid down by the Trustees and report back to them on performance. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The CEO and Executive Head teachers, Academy Business Manager and Committees are responsible for the

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The CEO and Executive Head teacher is responsible for the appointment of staff, though appointment panels for teaching posts which always include a Director and/or Local Governor.

The CEO is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider that the Governing Body and the senior leadership team comprise the key management personnel of the Trust in charge of directing and controlling, running and operating the Trust on a day to day basis.

All Trustees give their time freely and no Trustee received remuneration in the year for their role as Trustee.

The pay of key management personnel is reviewed annually and is paid in accordance with normal payscales.

Connected Organisations, including Related Party Relationships

The Academy has developing collaborative links with Holsworthy VC Primary and Lew Trenchard VC Primary who are scheduled to join the Trust by December 2016.

There are no related parties which either control or significantly influence the decisions and operations of the An Daras Multi Academy Trust.

There is a formal Parent Teacher Association associated with each individual school within the Trust.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Charitable Company is the operation of the An Daras Multi Academy Trust to provide high quality free education and care for pupils of different abilities which will allow them to secure life-long learning skills.

The aims of the Academy Trust during the year ended 31 August 2016 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all pupils.
- To provide a broad and balanced curriculum, including extra-curricular activities.
- To develop pupils as more effective learners both for the present and the future.
- To develop the Academy sites so that it enables pupils to achieve their full potential.
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- To improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- To maximise the number of pupils who achieve/exceed age related standards in English and Maths by the end of Key Stage 2.
- To provide value for money for the funds expended.
- To develop greater coherence, clarity and effectiveness in school systems.
- To comply with all appropriate statutory and curriculum requirements.
- To develop the Academy's capacity to lead change, and be a lead in the community.
- To conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

A Key Priority for 2016 was to secure the safe growth/expansion of the MAT to ensure it could offer a wider range of opportunities for improvement across the wider Launceston area. Key priorities for the year are contained in our Academy Trust Improvement Plan 15/16 which is available from the Academy Central Office at St Stephens. Improvement focuses identified for this year include:

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Pupil Achievement and Standards:

- To ensure that writing standards continue to rise and progress accelerated so that there is an improving trend for all cohorts and groups (including vulnerable and most able) by sharing good practice and successes across the Academy Trust.
- To ensure that pupils of abilities and groups achieve at least as well as pupils nationally in attainment and progress against the national backdrop of more challenging End of Key Stage standards for 2016. All schools to be above national Floor Targets.

Learning and Teaching Impact:

- To continue to develop strategies that improve the accuracy and quality of ongoing assessment of learning impact by sharing good practice and building on current successes in both schools.
- To continue to develop the curriculum offer within both schools so breadth and balance is achieved.
- To complete moderation across the Academy Trust focusing on evidence of challenging learning in books and teaching that deepens and expands pupils knowledge within the new progression strands.

Leadership Impact:

- To develop school improvement strategies which have long term impact across all MAT schools.
- To ensure school leaders are able to operate with initiative and innovation within a robust accountability framework.
- To further improve teaching and learning standards by sharing observations and validating performance management decisions of standards of teaching and learning so that standards across the Academy Trust are consistently high.

Learning Environment Improvement:

- To improve IT facilities so that planned growth in systems and hardware is delivered to aid long term efficiency.
- Maintain a planned asset management system which ensures a cycle of building improvement is delivered across each site.

Public Benefit

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

The Academy Trust aims to advance for the public benefit, education in Launceston and the surrounding area. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and development schools, offering a broad and balanced curriculum, and maintaining a distinct Christian ethos within its church school.

The Academy Trust also provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the intent of improving the life of the said community.

STRATEGIC REPORT

Achievements and Performance

Three Year MAT Expansion Plan

The Trust planned a steady expansion of the number of schools which made up the Trust. The first phase has been successfully completed. The MAT was pleased to welcome the Federation of North Petherwin and

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Werrington Primary Schools as a full member in Jan 2016. One of our long term partner schools St Catherines VA Primary School became a full member of the MAT in May 2016. This makes the MAT currently five schools in total.

St Stephens Community Academy (SSCA) Pupil Achievement Results

Head line SSCA achievement results at all Key Stages are affected by the inclusion of pupil data from pupils who attend the Area Resource Base (ARB) class which caters for the education of ten pupils with severe and profound learning needs. Nevertheless attainment compares favourably with indicative 2016 national attainment average benchmarks where these are available.

KS = Key Stage

GPS = Grammar, Punctuation and Spelling

2016 Key Stage 1 Attainment Outcomes

Table A: SSCA KS1 Cohort achievement (three ARB pupils included in data)

A:Attainment Level	Reading	Writing	Maths	GPS
Expected+	School: 72% Nat 16: 74%	School: 73% Nat 16: 66%	School: 76% Nat 16: 73%	School: % Nat 16: N/A

Table B: SSCA KS1 Cohort achievement (three ARB pupils excluded from data)

B:Attainment Level	Reading	Writing	Maths	GPS
Expected+	School: 78% Nat 16: 74%	School: 81% Nat 16: 66%	School: 84% Nat 16: 73%	School: % Nat 16: N/A

2016 Key Stage 2 Attainment and Progress Outcomes

Table C: SSCA KS2 Cohort achievement (two ARB pupils included in data)

C:Attainment Level	Reading	GPS	Writing	Maths	Combined Exp+ (R, W, M)
Expected+	School: 69% Nat 16: 66%	School: 72 % Nat 16: 72%	School: 83% Nat 16: 74%	School: 69% Nat 16: 70%	School: 59% Nat 16: 53%
Progress	School: - 1.0		School: +0.8	School: - 1.3	

Table D: SSCA KS2 Cohort achievement (two ARB pupils excluded from data)

D:Attainment Level	Reading	GPS	Writing	Maths	Combined Exp+ (R, W, M)
Expected+	School: 76% Nat 16: 66%	School: 79% Nat 16: 72%	School: 90% Nat 16: 74%	School: 76% Nat 16: 70%	School: 65% Nat 16: 53%
Progress	School: -1.0		School: +1.8	School: -1.3	

Windmill Hill Academy (WHA) Pupil Achievement Results

2016 Key Stage 1 Attainment Outcomes

Table E: WHA KS1 Cohort achievement

E:Attainment Level	Reading	Writing	Maths	GPS
Expected+	School: 75% Nat 16: 74%	School: 75% Nat 16: 66%	School: 79% Nat 16: 73%	School: % Nat 16: N/A

2016 Key Stage 2 Attainment and Progress Outcomes

Table F: WHA KS2 Cohort achievement

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

F:Attainment Level	Reading	GPS	Writing	Maths	Combined Exp+ (R, W, M)
Expected+	School: 67% Nat 16: 66%	School: 77% Nat 16: 72%	School: 77% Nat 16: 74%	School: 67% Nat 16: 70%	School: 53% Nat 16: 53%
Progress	School: - 0.7		School: - 0.3	School: - 0.4	

North Petherwin (NP) Pupil Achievement Results

2016 Key Stage 1 Attainment Outcomes

Table G: NP KS1 Cohort achievement

G:Attainment Level	Reading	Writing	Maths	GPS
Expected+	School: 70% Nat 16: 74%	School: 70% Nat 16: 66%	School: 60% Nat 16: 73%	School: 40% Nat 16: N/A

2016 Key Stage 2 Attainment and Progress Outcomes

Table H: NP KS2 Cohort achievement

H:Attainment Level	Reading	GPS	Writing	Maths	Combined Exp+ (R, W, M)
Expected +	School: 60% Nat 16: 66%	School: 50% Nat 16: 72%	School: 80 % Nat 16: 74%	School: 40% Nat 16: 70%	School: 30% Nat 16: 53%
Progress	School: - 3.6		School: - 0.6	School: -5.7	

Werrington (W) Pupil Achievement Results

2016 Key Stage 1 Attainment Outcomes

Table I: W KS1 Cohort achievement

I:Attainment Level	Reading	Writing	Maths	GPS
Expected +	School: 55% Nat 16: 74%	School: 11% Nat 16: 66%	School: 33% Nat 16: 73%	School: 30% Nat 16: N/A

2016 Key Stage 2 Attainment and Progress Outcomes

Table J: W KS2 Cohort achievement

J:Attainment Level	Reading	GPS	Writing	Maths	Combined Exp+ (R, W, M)
Expected +	School: 20% Nat 16: 66%	School: 30% Nat 16: 72%	School: 40% Nat 16: 74%	School: 10% Nat 16: 70%	School: 10% Nat 16: 53%
Progress	School: -5.2		School: -1.2	School: -5.1	

St Catherines (SC) Pupil Achievement Results

2016 Key Stage 1 Attainment Outcomes

Table K: SC KS1 Cohort achievement

K:Attainment Level	Reading	Writing	Maths	GPS
Expected+	School: 87% Nat 16: 74%	School: 63% Nat 16: 66%	School: 70% Nat 16: 73%	School: % Nat 16: N/A

2016 Key Stage 2 Attainment and Progress Outcomes

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016

Table L: SC KS2 Cohort achievement

L:Attainment Level	Reading	GPS	Writing	Maths	Combined Exp+ (R, W, M)
Expected+	School: 71% Nat 16: 66%	School: 71% Nat 16: 72%	School: % Nat 16: 74%	School: 61% Nat 16: 70%	School: 55% Nat 16: 53%
Progress	School: +1.3		School: +0.3	School: -1.5	

To ensure that standards are continually assessed, the Academy Trust operates a programme of learning monitoring undertaken by the Academy Senior Leadership Team.

Secure pupil standards against national benchmarks by the end of Key Stage 2 at the three largest academy schools indicates that the Academy Trust has delivered its stated aims and objectives at the majority of schools within the Trust. All schools within the MAT for 2016 are above national Floor Targets as defined by the DfE.

The Academy Trust has established close links with Holsworthy VC Primary and Lew Trenchard VC Primary Schools in Devon. The Academy Trust is continuing to work in effective partnerships with these schools as they plan to join the MAT in December 2016.

The Academy Trust has also successfully completed the restructuring of its governance arrangements, created a new partnership arrangement with the Diocese of Truro and revised its Schemes of Delegation and Terms of Reference. This ensures subsequent expansion of the MAT can be delivered without further restructuring.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention - the amount of carry forward is restricted to 12% the restriction has been removed in the year. In period under review, £90,108 was carried forward representing 4% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2015 were 411, an increase of 13 over 2014. In January 2016 North Petherwin and Werrington Schools joined the Trust increasing pupil numbers by 65 and 46 respectively. In May 2016 St Catherine's School joined the Trust with 207 pupils making a total number of pupils at the end of July 2016 728.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2016 this was 105%, compared to 96% in 2015. Increase due to new schools joining the MAT in January and May this year.

Pupil to teacher ratio for 2016 is 4.53%

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2016 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

At 31 August 2016 the net book value of fixed assets was £3,477,088 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

The freehold for land, buildings and other assets were transferred to the Academy Trust upon conversion. Land and buildings at St Stephens Community Academy were professionally valued on 16th May 2014 at £1,547,000. Land and buildings at Windmill Hill Academy were professionally valued on 23rd May 2014 at £1,829,000. North Petherwin had a desktop valuation from the EFA of £826,000 and Werrington £749,000. St Catherine's is to follow. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 23 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Chief Executive Officer Executive Head Teacher, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Pecuniary Interest, Charges and Lettings, Asset Management and Insurance.

Reserves Policy

The Trustees review the reserve levels of the Academy Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Academy Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be approximately £260,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or a fall in pupil numbers resulting in losing a class but not wanting to lose a teacher, a rise in pupil numbers meaning not enough funding to teach the pupils etc. Total reserves of the academy trust amount to £6,898,545, although £43,636 of this represents non GAG restricted funds. The remaining £6,854,909 (representing £563,762 unrestricted funds and £90,108 unspent GAG, Fixed Asset Fund £7,402,039 and pension (£1,201,000)) is the balance that the Trustees monitor in accordance with the Board's reserves policy.

The Trustees have reviewed the future plans of the Academy Trust and have set designated reserves as follows:

- £20,000 has been set aside for the possible contribution towards Academy Trust central office facilities.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income, whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves of the academy Trust.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses will be placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. The Investment policy authorises longer term investment of funds in blocks of £50,000 following due diligence. Day to day management of the surplus funds is delegated to the Executive Head teacher and Scholl Business Manager within strict guidelines approved by the Board of Trustees.

Principal Risks And Uncertainties

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

The principal risks and uncertainties facing the Academy Trust are as follows:

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Financial - the Academy Trust has considerable reliance on continued Government funding through the EFA. In the last year 99.2% of the Academy Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Academy Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Academy Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that pupil success and achievement are closely monitored, reviewed and publicly celebrated as appropriate.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline. The Academy Trust places a high priority on ensuring a dedicated Child Protection and Attendance Officer is in post.

Staffing - the success of the Academy Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. High quality Performance Management procedures are supporting the continued drive for high achievement outcomes for pupils.

Fraud and mismanagement of funds - the Academy Trust has appointed a Responsible Officer to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive regular training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academy Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular termly basis.

The Trustees have assessed the major risks to which the Academy Trust is exposed, in particular those relating to its finances, teaching, facilities, potential future growth in PAN, and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. The Academy Trust has made particular efforts to streamline management systems through a central operations team. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy Trust pupil numbers on roll are healthy, risks to revenue funding from a falling roll remain small. However, the freeze on the Government's overall education budget, changes in funding arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

PLANS FOR FUTURE PERIODS

The Academy Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Academy will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Academy Trust will continue to work with partner schools to improve the educational opportunities for pupils in the wider community. As part of this commitment to local partnership working the Academy Trust has expansion and business growth plans in operation. Applications for Holsworthy VC Primary School and Lew Trenchard VC Primary School joining the Trust were submitted the DfE in July 2016.

Full details of our plans for the future are given in our Academy Improvement Plan and Academy Growth Plan, which is available on our website or from the Clerk to the Trustees.

AUDITORS

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as company directors, on 16.12.16..... and signed on the board's behalf by:



**Mr P O'Brien
Chair of Trustees**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As trustees, we acknowledge we have overall responsibility for ensuring that An Daras 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 Executive Head teacher, 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 An Daras 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 7 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
Mrs D C Easter	6	7
Mr P O'Brien	6	7
Mr W T Hermon	7	7
Mrs S Chapman	5	7
Mr A J Jackson	0	7
Mrs A Jefferies	4	7
Mrs C Paul	6	7
Mr P Smith	6	7
Mr G Barriball	3	7
Mrs S Cooksey	3	5
Mrs N Taylor	3	5
Mrs R Couch	0	0

- New director appointed to represent the Diocese of Truro (Askel Veur)
- Two director appointed to represent North Petherwin and Werrington
- Resignation of one director due to retirement
- Resignation of one director to allow more time to undertake MAT Member duties
- Resignation of one director representing North Petherwin and Werrington to allow more time to focus on Local Governance Board duties
- Two new MAT Members appointed to increase membership to five

Governance Review

- MAT board completed an externally led review of director level governance during the Summer Term 2016. Review completed by Bishop Fleming
- As part of restructuring of director level governance to accommodate the governance requirements of an expanded MAT – five new director committees were confirmed. Terms of References and Schemes of Delegation were reviewed and amended for the new committee structure
- The Diocese of Truro (Askel Veur) appointed a director in recognition that the trust has a now has a VA member school
- MAT Members were increased from the original three to five in July 2016. This was completed to reflect the expansion of the MAT in terms of schools
- Existing director's skills and competencies and how they contribute to the successful and accountable running of the trust were analysed by the appointed external provider following extensive self-review evidence collection
- Strengths in director skills identified by the audit were in knowledge and understanding of governance procedures, accountability, knowing the context of schools within the MAT, people management, school improvement and strategic thinking.
- Areas for continued development to support the further efficient functioning of the board in key areas were identified financial management and the requirement to have more directors who are "originators" rather

GOVERNANCE STATEMENT (continued)

than "finishers"

- Ongoing training for directors has been arranged starting from January 2017
- Another external review of director level governance will be completed in Summer Term 2018
- Internal review of the efficiency of Local Governing Bodies is scheduled to be completed by the MAT Board and its Chief Executive Officer in the Summer Term 2017

The Resources and Staffing Committee is a sub-committee of the main board of trustees. Its purpose is to manage resources, finance streams and risk factors to deliver the Trust vision and aims.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr P O'Brien	4	4
Mr W T Hermon	4	4
Mrs A Nicholson	0	0
Mrs D Easter	3	4
Mrs S Cooksey	1	3
Mr P Smith	1	4
Mr G Barriball	2	4
Mrs C Paul (one off to make quorate)	1	1
Mrs S Chapman (one off to make quorate)	1	1

REVIEW OF VALUE FOR MONEY

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

The Accounting Officer considers how the Academy 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 Academy Trust has delivered improved value for money during the year by:

The MAT has prioritised the following areas to achieve best value this year. The main aim has been to ensure best value is impacting positively on the quality of education and the delivery of an enriched curriculum offer for all pupils.

Example of Value for Money Purchasing - Bulk buying across the Trust to reduce individual costs for schools. Evidenced this year by discounts in total cost achieved in the purchase of curriculum assessment material, bulk purchasing of paper and co-ordinated purchasing of cleaning and caretaking equipment

Considering allocation and targeting of resources – Effective use of mini bus resource to ensure they are supporting pupils learning enrichment and sporting activity to the maximum

Deploying staff effectively - staffing arrangements reviewed to ensure high accountability, responsibility and impact efficiency and therefore best value. Consideration of staff retention of highly skilled and valuable staff members as evidenced by the newly developed role of the MAT EYFS lead – this also saves on recruitment and future training costs.

- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Not allocating time/resources to areas where few improvements can be achieved.
- Making comparisons with similar Academies using data provided by the EFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.
- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.

GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy 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 An Daras Multi Academy Trust for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the Academy 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 Academy Trust's significant risks, that has been in place for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

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

The auditors' role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a semi-annual basis, the auditors report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank account reconciliations

REVIEW OF EFFECTIVENESS

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

- the work of the external auditors;

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Resources and Staffing 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 16/12/16 and signed on their behalf, by:



Mr P O'Brien
Chair of Trustees



Mr W T Hermon
Accounting Officer

**AN DARAS MULTI ACADEMY TRUST
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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



Mr W T Hermom
Accounting Officer

**AN DARAS MULTI ACADEMY TRUST
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**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016**

The Trustees (who act as governors of An Daras Multi Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic report, the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the Trustees to prepare 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 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees and signed on its behalf by:



Mr P O'Brien
Chair of Trustees

Date: 16/12/16

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

We have audited the financial statements of An Daras Multi Academy Trust for the year ended 31 August 2016 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes. 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2016 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 2015 to 2016 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Bishop Fleming LLP

Pamela Tuckett FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: 16/12/16

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO AN DARAS
MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 17 January 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by An Daras Multi Academy Trust during the year 1 September 2015 to 31 August 2016 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 An Daras Multi Academy Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to An Daras Multi Academy Trust and EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than An Daras Multi Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF AN DARAS MULTI ACADEMY TRUST'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of An Daras Multi Academy Trust's funding agreement with the Secretary of State for Education dated 19 December 2013, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 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 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

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

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Pamela Tuckett FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 16/12/16

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations & capital grants:						
Transfer from Local Authority on conversion	2	383,313	(257,000)	3,947,912	4,074,225	-
Other donations and capital grants	2	21,876	12,235	164,360	198,471	39,387
Charitable activities	3	129,617	2,774,865	-	2,904,482	1,964,465
Other trading activities	4	25,881	-	-	25,881	33,784
Investments	5	553	-	-	553	702
TOTAL INCOME		561,240	2,530,100	4,112,272	7,203,612	2,038,338
EXPENDITURE ON:						
Raising funds		29,019	-	-	29,019	21,033
Charitable activities		174,777	2,867,722	133,982	3,176,481	2,041,691
TOTAL EXPENDITURE	8	203,796	2,867,722	133,982	3,205,500	2,062,724
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		357,444	(337,622)	3,978,290	3,998,112	(24,386)
Transfers between Funds	18	(73,870)	58,614	15,256	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		283,574	(279,008)	3,993,546	3,998,112	(24,386)
Actuarial losses on defined benefit pension schemes	23	-	(542,000)	-	(542,000)	(11,000)
NET MOVEMENT IN FUNDS		283,574	(821,008)	3,993,546	3,456,112	(35,386)
RECONCILIATION OF FUNDS:						
Total funds brought forward		280,188	(246,248)	3,408,493	3,442,433	3,477,819
TOTAL FUNDS CARRIED FORWARD		563,762	(1,067,256)	7,402,039	6,898,545	3,442,433

The notes on pages 25 to 49 form part of these financial statements.

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 08156955**

**BALANCE SHEET
AS AT 31 AUGUST 2016**

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	14		7,355,673		3,397,490
CURRENT ASSETS					
Debtors	15	520,825		94,617	
Cash at bank and in hand		608,047		422,652	
		<u>1,128,872</u>		<u>517,269</u>	
CREDITORS: amounts falling due within one year	16	<u>(385,000)</u>		<u>(143,326)</u>	
NET CURRENT ASSETS			<u>743,872</u>		<u>373,943</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>8,099,545</u>		<u>3,771,433</u>
Defined benefit pension scheme liability	23		<u>(1,201,000)</u>		<u>(329,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>6,898,545</u></u>		<u><u>3,442,433</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted income funds:					
General funds	18	133,744		82,752	
Fixed asset funds	18	<u>7,402,039</u>		<u>3,408,493</u>	
Restricted income funds excluding pension liability		<u>7,535,783</u>		<u>3,491,245</u>	
Pension reserve		<u>(1,201,000)</u>		<u>(329,000)</u>	
Total restricted income funds			<u>6,334,783</u>		<u>3,162,245</u>
Unrestricted income funds	18		<u>563,762</u>		<u>280,188</u>
TOTAL FUNDS			<u><u>6,898,545</u></u>		<u><u>3,442,433</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 16/12/16 and are signed on their behalf, by:



**Mr P O'Brien
Chair of Trustees**

The notes on pages 25 to 49 form part of these financial statements.

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	20	70,695	82,977
Cash flows from investing activities:			
Dividends, interest and returns from investments		533	702
Purchase of tangible fixed assets		(50,193)	(1,407)
Capital grants from DfE/EFA		164,360	-
Net cash provided by/(used in) investing activities		114,700	(705)
Change in cash and cash equivalents in the year		185,395	82,272
Cash and cash equivalents brought forward		422,652	340,380
Cash and cash equivalents carried forward	21	608,047	422,652

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

An Daras Multi Academy Trust constitutes a public benefit entity as defined by FRS 102.

In accordance with the Academies Accounts Direction 2015 to 2016 capital grants are now recognised in Income from Donations and Capital Grants instead of Charitable Activities. Capital grants recognised in 2015 have been reclassified.

First time adoption of FRS 102

These financial statements are the first financial statements of An Daras Multi Academy Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of An Daras Multi Academy Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 29.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.3 FUND ACCOUNTING

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the 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 and include grants from the Department for Education.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

1.4 INCOME

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

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.5 EXPENDITURE

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

Expenditure on raising funds includes all expenditure incurred by An Daras Multi Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Charitable Activities are costs incurred on An Daras Multi Academy Trust's educational operations, including support costs and costs relating to the governance of the An Daras Multi Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

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.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Long term leasehold property	-	2% straight line, land 125 years
Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

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.

On conversion the Academy Trust was granted a 125 year lease from the Local Authority for the land and buildings previously occupied by the Local Authority school. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method.

Where the Academy Trust has been granted use of school buildings from the Truro Diocesan Authority under Supplemental Agreements, the Academies Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Academy Trust. The land and buildings have been included since conversion within the long-term leasehold property of the Academy Trust. On conversion the long term leasehold property was recognised as a donation from the Local Authority and was valued using the depreciated replacement cost method. This view differs from the view of the Church of England.

The Supplemental Agreement includes the right for the Truro Diocesan Authority Trustees to give not less than 2 years written notice to the Academy Trust and Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of approval of the financial statements.

1.7 LIABILITIES AND PROVISIONS

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

1.8 FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial instruments includes cash at bank, trade debtors, accrued income from financial instruments (comprising dividends and interest due from investments), trade creditors and accrued expenditure.

1.9 TAXATION

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.10 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, 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 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

Critical areas of judgment:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

1.12 OPERATING LEASES

Rentals under operating leases are charged to the Statement of financial activities on a straight line basis over the lease term.

1.13 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.14 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 and cash on deposit that has a notice period of less than 30 days.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.15 CONVERSION TO AN ACADEMY TRUST

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from St Catherine's C of E Primary School, Werrington School and North Petherwin Primary School to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Land and Buildings have been included as per the valuation by the EFA whilst other fixed assets have been included at amounts valued by the Trustees. Pension assets and liabilities have been valued by Hymans Robertson LLP.

Further details of the transaction are set out in note 22.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Transfer from Local Authority on conversion	383,313	(257,000)	3,947,912	4,074,225	-
Donations	21,876	12,235	-	34,111	11,297
Capital Grants	-	-	164,360	164,360	28,090
Subtotal	21,876	12,235	164,360	198,471	39,387
	405,189	(244,765)	4,112,272	4,272,696	39,387

In 2015, of the total income from donations and capital grants, £3,780 was unrestricted and £7,517 was restricted, and £28,090 was in relation to the restricted fixed asset fund.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Education	52,217	2,774,865	2,827,082	1,964,465
Nursery	77,400	-	77,400	-
	<u>129,617</u>	<u>2,774,865</u>	<u>2,904,482</u>	<u>1,964,465</u>

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant	-	2,202,878	2,202,878	1,508,630
Start up Grants	-	74,124	74,124	-
Other DfE/EFA grants	-	304,588	304,588	249,386
	<u>-</u>	<u>2,581,590</u>	<u>2,581,590</u>	<u>1,758,016</u>
Other government grants				
High Needs	-	156,949	156,949	157,691
Other government grants non capital	-	18,016	18,016	3,000
	<u>-</u>	<u>174,965</u>	<u>174,965</u>	<u>160,691</u>
Other funding				
Internal catering income	16,798	-	16,798	-
Sales to students	3,617	-	3,617	2,614
Other	31,802	18,310	50,112	43,144
	<u>52,217</u>	<u>18,310</u>	<u>70,527</u>	<u>45,758</u>
	<u>52,217</u>	<u>2,774,865</u>	<u>2,827,082</u>	<u>1,964,465</u>

In 2015, of the total income from charitable activities, £82,884 was unrestricted and £1,881,582 was restricted.

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NOTES TO THE FINANCIAL STATEMENTS
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4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings	305	-	305	5,170
External Catering	518	-	518	-
Uniforms	-	-	-	1,063
Consultancy	563	-	563	-
Fees received	20,835	-	20,835	16,564
Other	3,660	-	3,660	10,987
	<u>25,881</u>	<u>-</u>	<u>25,881</u>	<u>33,784</u>

In 2015, the total income from other trading activities of £33,784 was unrestricted.

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest	553	-	553	702
	<u>553</u>	<u>-</u>	<u>553</u>	<u>702</u>

In 2015 the total investment income of £702 was unrestricted.

6. DIRECT COSTS

	Education £	Nursery £	Total 2015 £
Pension finance costs	13,000	-	10,000
Educational supplies	173,231	4,602	107,444
Staff development	22,844	63	12,611
Other costs	49,640	-	35,683
Supply teachers	26,044	-	14,433
Technology costs	20,200	903	4,369
Wages and salaries	1,584,787	57,297	1,042,834
National insurance	92,106	845	62,738
Pension cost	264,939	5,566	178,901
Depreciation	116,239	-	79,041
	<u>2,363,030</u>	<u>69,276</u>	<u>1,548,054</u>

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NOTES TO THE FINANCIAL STATEMENTS
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7. SUPPORT COSTS

	Education £	Nursery £	Total 2015 £
Pension finance costs	4,000	-	1,000
Recruitment and support	1,557	-	1,172
Maintenance of premises and equipment	55,796	371	46,718
Cleaning	11,862	-	55,465
Rent and rates	21,014	-	14,492
Energy costs	25,246	-	17,123
Insurance	36,808	-	32,142
Security and transport	16,659	413	10,871
Catering	114,680	-	70,785
Technology costs	34,869	428	23,710
Office overheads	35,603	162	21,787
Legal and professional	38,100	-	34,530
Bank interest and charges	286	-	126
Governance	19,451	-	11,282
Wages and salaries	239,641	666	101,782
National insurance	9,617	92	4,171
Pension cost	58,974	137	38,663
Depreciation	17,743	-	7,818
	741,906	2,269	493,637

8. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising funds	11,359	-	17,660	29,019	21,033
Education:					
Direct costs	1,967,876	39,691	355,463	2,363,030	1,548,054
Support costs	308,232	136,878	296,796	741,906	493,637
Nursery:					
Direct costs	63,708	-	5,568	69,276	-
Support costs	895	784	590	2,269	-
	2,352,070	177,353	676,077	3,205,500	2,062,724

In 2015, the total expenditure on raising funds of £21,033 was from unrestricted funds. In 2015, of the total expenditure on charitable activities, £49,394 was from unrestricted funds £1,905,438 was from restricted funds and £86,859 was in relation to the restricted fixed asset fund.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

9. NET INCOMING RESOURCES/(RESOURCES EXPENDED)

This is stated after charging:

	2016	2015
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	133,983	86,859
Auditors' remuneration - audit	8,800	6,950
Auditors' remuneration - other services	10,225	3,239
Operating lease rentals	8,598	4,318

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NOTES TO THE FINANCIAL STATEMENTS
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10. STAFF COSTS

Staff costs were as follows:

	2016 £	2015 £
Wages and salaries	1,880,133	1,139,969
Social security costs	103,672	67,793
Operating costs of defined benefit pension schemes	331,374	219,317
	<u>2,315,179</u>	<u>1,427,079</u>
Supply teacher costs	961	14,329
Staff restructuring costs	9,886	-
Agency supply teacher costs	26,044	14,433
	<u><u>2,352,070</u></u>	<u><u>1,455,841</u></u>

Staff restructuring costs comprise:

	2016 £	2015 £
Severance payments	<u><u>9,886</u></u>	<u><u>-</u></u>

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

	2016 No.	2015 No.
Teachers	33	23
Educational Support	49	36
Administration and Clerical	8	5
Management	2	2
	<u><u>92</u></u>	<u><u>66</u></u>

Average headcount expressed as a full time equivalent:

	2016 No.	2015 No.
Teachers	35	21
Educational Support	29	20
Administration and Clerical	5	3
Management	2	1
	<u><u>71</u></u>	<u><u>45</u></u>

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	1	1

The above employee participated in the Teachers' Pension Scheme. During the year ended 31 August 2016, pension contributions for this member amounted to £10,420 (2015: £8,602).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

10. STAFF COSTS (continued)

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as 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 £296,112 (2015: £271,421).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 12 has not been included in the total benefits received by key management above.

11. CENTRAL SERVICES

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

- Finance and administration
- Insurance

The Academy Trust charges for these services on the following basis:

The costs of provision of central services is recharged to the academies based upon pupil numbers.

The actual amounts charged during the year were as follows:

	2016	2015
	£	£
St Stephens Community Academy	75,477	74,733
Windmill Hill Academy	74,733	81,953
Werrington Primary School	12,641	-
North Petherwin Primary School	16,112	-
St Catherine's C of E School	30,860	-
	209,823	156,686
Total	209,823	156,686

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NOTES TO THE FINANCIAL STATEMENTS
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12. TRUSTEES' REMUNERATION AND EXPENSES

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

W Hermon: Remuneration :£60,000 - £65,000 (2015: (£60,000 - £65,000), employers pension £5,000 - £10,000 (2014: £ 5,000 - £10,000), K Clark: Remuneration £nil (2015: (£10,000 - £15,000), Employers pension £nil (2015: £0 - £5,000), A Basset: Remuneration £nil (2015: (£30,000 - £35,000), Employers pension £nil (2015: £5,000 - £10,000) and C Paul: Remuneration £5,000 - £10,000 (2015: (£5,000 - £10,000), Employers pension £0 - £5,000 (2015: £0 - £5,000).

During the year retirement benefits were accruing to 1 Trustee (2015: 1) in respect of defined benefit pension schemes.

During the year, no Trustees received any benefits in kind (2015: £NIL).

During the year ended 31 August 2016, expenses totalling £150 (2015: £256) were reimbursed to 1 Trustee (2015: 1).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was £1,476 (2015: £1,083).

14. TANGIBLE FIXED ASSETS

	Freehold property £	Long term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
COST					
At 1 September 2015	3,427,117	-	39,415	100,061	3,566,593
Additions	141,077	3,913,463	3,091	34,535	4,092,166
At 31 August 2016	3,568,194	3,913,463	42,506	134,596	7,658,759
DEPRECIATION					
At 1 September 2015	91,041	-	17,621	60,441	169,103
Charge for the year	45,738	34,878	8,501	44,866	133,983
At 31 August 2016	136,779	34,878	26,122	105,307	303,086
NET BOOK VALUE					
At 31 August 2016	3,431,415	3,878,585	16,384	29,289	7,355,673
At 31 August 2015	3,336,076	-	21,794	39,620	3,397,490

Included in freehold property is freehold land at valuation of £1,146,000 which is not depreciated.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

14. TANGIBLE FIXED ASSETS (continued)

The Trust's transactions relating to land and buildings included:

- the taking up of a leasehold on school buildings at the 2 new schools for £nil over a term of 125 years.
- the taking up of a lease at a church building

15. DEBTORS

	2016 £	2015 £
VAT recoverable	39,017	18,935
Prepayments and accrued income	481,808	75,682
	<u>520,825</u>	<u>94,617</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	182,253	52,957
Other taxation and social security	52,413	23,088
Other creditors	49,074	35,798
Accruals and deferred income	101,260	31,483
	<u>385,000</u>	<u>143,326</u>

	2016 £	2015 £
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DEFERRED INCOME

Deferred income at 1 September 2015	25,033	29,054
Resources deferred during the year	38,643	25,033
Amounts released from previous years	(25,033)	(29,054)
Deferred income at 31 August 2016	<u>38,643</u>	<u>25,033</u>

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals funding.

17. FINANCIAL INSTRUMENTS

	2016 £	2015 £
Financial assets measured at fair value through income and expenditure	608,047	422,652
Financial assets measured at amortised cost	473,139	77,843
	<u>1,081,186</u>	<u>500,495</u>
Financial liabilities measured at amortised cost	<u>244,870</u>	<u>59,407</u>

AN DARAS MULTI ACADEMY TRUST
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Financial assets measured at fair value through income and expenditure comprise cash at bank.

Financial assets measured at amortised cost comprise trade debtors, other debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

18. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
DESIGNATED FUNDS						
Central office facilities	20,000	-	-	-	-	20,000
GENERAL FUNDS						
General funds	260,188	561,240	(203,796)	(73,870)	-	543,762
Total Unrestricted funds	280,188	561,240	(203,796)	(73,870)	-	563,762
RESTRICTED FUNDS						
General Annual Grant (GAG)	27,977	2,202,878	(2,199,361)	58,614	-	90,108
High Needs	24,095	156,949	(181,044)	-	-	-
Donations	-	12,235	(12,235)	-	-	-
Pupil Premium	30,680	224,429	(211,473)	-	-	43,636
Start up grant	-	74,124	(74,124)	-	-	-
Sports and PE Grant	-	24,624	(24,624)	-	-	-
UIFSM	-	55,535	(55,535)	-	-	-
Other restricted	-	36,326	(36,326)	-	-	-
Pension reserve	(329,000)	(257,000)	(73,000)	-	(542,000)	(1,201,000)
	(246,248)	2,530,100	(2,867,722)	58,614	(542,000)	(1,067,256)

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (continued)

RESTRICTED FIXED ASSET FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Fixed assets transferred on conversion	3,369,215	3,913,463	(110,313)	-	-	7,172,365
Fixed assets purchased from GAG and other restricted funds	679	-	(4,540)	15,256	-	11,395
DfE/EFA Capital grants	38,599	164,360	(19,129)	-	-	183,830
Capital funds on transfer	-	34,449	-	-	-	34,449
	<u>3,408,493</u>	<u>4,112,272</u>	<u>(133,982)</u>	<u>15,256</u>	<u>-</u>	<u>7,402,039</u>
Total restricted funds	<u>3,162,245</u>	<u>6,642,372</u>	<u>(3,001,704)</u>	<u>73,870</u>	<u>(542,000)</u>	<u>6,334,783</u>
Total of funds	<u>3,442,433</u>	<u>7,203,612</u>	<u>(3,205,500)</u>	<u>-</u>	<u>(542,000)</u>	<u>6,898,545</u>

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

General Annual Grant - Income from the EFA which is to be used for the normal running costs of the Academy, including education and support costs.

Start up Grant - This represents one off funding received from the EFA to contribute to the cost of converting from a school to an Academy.

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

Pupil Premium - Pupil Premium represents funding received from the EFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension scheme.

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

Capital Grants - These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

ACMF - Grants received for capital works. The balance at the year end represents the NBV of assets and unspent grant amounts.

Central office facilities - The trustees have reviewed the future plans of the Academy Trust and have set aside funds for the possible contribution towards Academy Trust central office facilities.

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NOTES TO THE FINANCIAL STATEMENTS
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18. STATEMENT OF FUNDS (continued)

OTHER INFORMATION

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2016 were allocated as follows:

	Total 2016 £	Total 2015 £
St Stephens Community Academy	261,125	190,109
Windmill Hill Academy	159,259	172,831
Werrington Primary School	69,146	-
North Petherwin Primary School	99,040	-
St Catherine's C of E School	108,381	-
Central	555	-
	<hr/>	<hr/>
Total before fixed asset fund and pension reserve	697,506	362,940
Restricted fixed asset fund	7,402,039	3,408,493
Pension reserve	(1,201,000)	(329,000)
	<hr/>	<hr/>
Total	<u>6,898,545</u>	<u>3,442,433</u>

ANALYSIS OF ACADEMIES BY COST

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 depreciat- ion £	Total 2016 £	Total 2015 £
St Stephens Community Academy	755,216	137,729	111,371	137,370	1,141,686	990,834
Windmill Hill Academy	603,519	101,461	93,994	106,783	905,757	941,031
Werrington Primary School	160,508	36,871	11,332	51,410	260,121	-
North Petherwin Primary School	151,501	55,425	28,079	58,577	293,582	-
St Catherine's C of E School	273,676	30,146	24,752	68,796	397,370	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>1,944,420</u>	<u>361,632</u>	<u>269,528</u>	<u>422,936</u>	<u>2,998,516</u>	<u>1,931,865</u>

AN DARAS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	7,355,673	7,355,673	3,397,490
Current assets	563,762	518,744	46,366	1,128,872	517,269
Creditors due within one year	-	(385,000)	-	(385,000)	(143,326)
Pension scheme liability	-	(1,201,000)	-	(1,201,000)	(329,000)
	<u>563,762</u>	<u>(1,067,256)</u>	<u>7,402,039</u>	<u>6,898,545</u>	<u>3,442,433</u>

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

	2016 £	2015 £
Net income/(expenditure) for the year (as per Statement of financial activities)	3,998,112	(24,386)
Adjustment for:		
Depreciation charges	133,983	86,859
Interest received	(533)	(702)
Increase in debtors	(383,609)	(3,551)
Increase in creditors	112,911	8,847
Capital grants from DfE and other capital income	(164,360)	(28,090)
Defined benefit pension scheme obligation inherited	257,000	-
Defined benefit pension scheme cost less contributions payable	56,000	33,000
Defined benefit pension scheme finance cost	17,000	11,000
Assets and liabilities from local authority on conversion	(3,955,809)	-
Net cash provided by operating activities	<u>70,695</u>	<u>82,977</u>

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	608,047	422,652
Total	<u>608,047</u>	<u>422,652</u>

22. CONVERSION TO AN ACADEMY TRUST

On 1 January 2016 Werrington School and North Petherwin Primary School and on 1 May 2016 St Catherine's C of E Primary School converted to academy trust status under the Academies Act 2010. All the operations and assets and liabilities were transferred to An Daras Multi Academy Trust from Cornwall Council for £NIL consideration.

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FOR THE YEAR ENDED 31 AUGUST 2016

22. CONVERSION TO AN ACADEMY TRUST (continued)

The transfers have been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of financial activities as Donations - transfer from local authority on conversion

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

ST CATHERINE'S C OF E PRIMARY SCHOOL

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
- Leasehold land and buildings	-	-	2,338,463	2,338,463
Budget surplus/(deficit) on LA funds	174,236	-	-	174,236
LGPS pension surplus/(deficit)	-	(221,000)	-	(221,000)
Net assets/(liabilities)	<u>174,236</u>	<u>(221,000)</u>	<u>2,338,463</u>	<u>2,291,699</u>

The land and buildings have been transferred to the Trust under a supplemental agreement with the Church.

WERRINGTON SCHOOL

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	749,000	749,000
- Other tangible fixed assets	-	-	-	-
Budget surplus/(deficit) on LA funds	70,729	-	14,763	85,492
LGPS pension surplus/(deficit)	-	(18,000)	-	(18,000)
Net assets/(liabilities)	<u>70,729</u>	<u>(18,000)</u>	<u>763,763</u>	<u>816,492</u>

The land and buildings have been transferred to the Trust under a 125 year lease.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

NORTH PETHERWIN PRIMARY SCHOOL

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	826,000	826,000
- Other tangible fixed assets	-	-	-	-
Budget surplus/(deficit) on LA funds	103,989	-	19,686	123,675
LGPS pension surplus/(deficit)	-	(18,000)	-	(18,000)
	<u>103,989</u>	<u>(18,000)</u>	<u>845,686</u>	<u>931,675</u>
Net assets/(liabilities)				
	<u>103,989</u>	<u>(18,000)</u>	<u>845,686</u>	<u>931,675</u>

The land and buildings have been transferred to the Trust under a 125 year lease.

23. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)

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

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

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

The employer's pension costs paid to TPS in the period amounted to £174,867 (2015: £83,374).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £182,000 (2015: £115,000), of which employer's contributions totalled £144,000 (2015: £91,000) and employees' contributions totalled £38,000 (2015: £24,000). The agreed contribution rates for future years are 17.3% for employers and 5.5-7.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.00 %	3.70 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.10 %	2.60 %

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

	2016	2015
Retiring today		
Males	22.2	22.2
Females	24.4	24.4
Retiring in 20 years		
Males	24.4	24.4
Females	26.8	26.8

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FOR THE YEAR ENDED 31 AUGUST 2016

23. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	614,000	252,000
Debt instruments	550,000	307,000
Property	90,000	43,000
Cash	26,000	12,000
	<hr/>	<hr/>
Total market value of assets	1,280,000	614,000
	<hr/>	<hr/>

The actual return on scheme assets was £117,000 (2015: £20,000).

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(200,000)	(124,000)
Net interest cost	(17,000)	(11,000)
Past service cost	(1,758)	-
	<hr/>	<hr/>
Total	(218,758)	(135,000)
	<hr/>	<hr/>

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

	2016 £	2015 £
Opening defined benefit obligation	943,000	755,000
Current service cost	200,000	124,000
Interest cost	48,000	31,000
Contributions by employees	38,000	24,000
Actuarial losses	628,000	9,000
Liabilities assumed in a business combination	624,000	-
	<hr/>	<hr/>
Closing defined benefit obligation	2,481,000	943,000
	<hr/>	<hr/>

AN DARAS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

23. PENSION COMMITMENTS (continued)

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

	2016 £	2015 £
Opening fair value of scheme assets	614,000	481,000
Interest income	31,000	20,000
Actuarial gains and (losses)	86,000	(2,000)
Contributions by employer	144,000	91,000
Contributions by employees	38,000	24,000
Assets acquired in a business combination	367,000	-
	<u>1,280,000</u>	<u>614,000</u>
Closing fair value of scheme assets	<u>1,280,000</u>	<u>614,000</u>

24. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £	2015 £
AMOUNTS PAYABLE:		
Within 1 year	9,144	8,052
Between 1 and 5 years	11,477	16,827
Total	<u>20,621</u>	<u>24,879</u>

25. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such a organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transactions took place in the period:

Launceston Community College, a school of which Mr J Jackson (a Trustee) is the Head teacher, charged the Academy Trust £30,626 (2015: £9,533) for grounds maintenance and other services. At the period end £920 was included within creditors. This transaction falls outside of the "at cost" principle as Mr J Jackson does not hold sufficient control at Launceston Community College.

26. CONTROLLING PARTY

The Trust is under the control of its members. There is no ultimate controlling party.

27. GENERAL INFORMATION

An Daras Multi Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is An Daras Central Office, Roydon Road, Launceston, Cornwall, PL15 8HL.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

28. 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.

29. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014	31 August 2015
		£	£
Total funds under previous UK GAAP		3,477,819	3,442,433
Total funds reported under FRS 102		<u>3,477,819</u>	<u>3,442,433</u>

Reconciliation of net income / (expenditure)	Notes	31 August 2015
		£
Net (expenditure) previously reported under UK GAAP		(18,386)
Change in recognition of LGPS interest cost	A	(6,000)
Net movement in funds reported under FRS 102		<u>(24,386)</u>

Explanation of changes to previously reported funds and net income/expenditure:

A	Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in expense. Under FRS102 a net interest, based on the net defined benefit liability, is recognised in expense. There has been no change to the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to increase the debit to expense by £6,000 and decrease the debit in other recognised gains and losses in the SoFA by an equivalent amount.
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