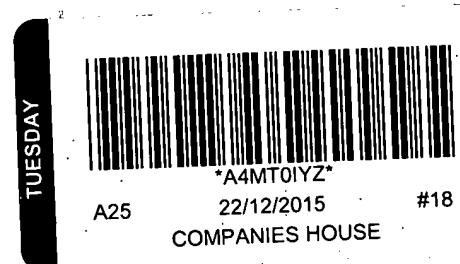


Bedfordshire East Multi-Academy Trust

Registered number: 07546141

Directors report and financial statements

For the year ended 31 August 2015



BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

CONTENTS

	Page
Reference and Administrative Details of the Academy, its Directors and Advisers	1 - 2
Directors' Report	3 - 11
Governance Statement	12 - 14
Statement on Regularity, Propriety and Compliance	15
Directors' Responsibilities Statement	16
Independent Auditor's Report	17 - 18
Independent Reporting Accountant's Assurance Report on Regularity	19 - 20
Statement of Financial Activities	21 - 22
Balance Sheet	23
Cash Flow Statement	24
Notes to the Financial Statements	25 - 49

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE MULTI-ACADEMY TRUST, ITS MEMBERS/ TRUSTEES AND ADVISERS FOR THE YEAR ENDED 31 AUGUST 2015

Directors

Richard Ford, Member, Academy Director and Chair* (resigned 31 August 2015)^{1,2}
Peter Little, Member, Academy Director and Chair* (appointed 6 October 2015)
John Street, Member and Academy Director (resigned 31 August 2015)²
Clare Morris, Academy Director and Chair* (resigned 24 November 2015)
Lesley Cave, Parent Director (resigned 23 September 2015)
Paul Martin, Parent Director (resigned 18 July 2015)¹
Adrian Rogers, Member, Staff Director and Executive Principal (resigned 1 March 2015)
Robert Robson, Member, Staff Director and Executive Principal (resigned 24 November 2015)¹
David Shelvey, Co-opted Director^{1,2}
Lyn Rouse, Staff Director and Principal (resigned 24 November 2015)
Derek Archer, Staff Director and Principal (resigned 24 November 2015)
Julie Chappell, Co-opted Director (resigned 30 September 2014)
Paul Walker, Co-opted Director (appointed 2 September 2015)
Lorraine MacDonald, Co-opted Director (appointed 2 September 2015)
Julie Hollings, Co-opted Director (appointed 23 October 2015)

¹ Member of the Finance Committee

² Member of the Audit Committee

* Richard Ford resigned as Chair on 13 May 2015

Clare Morris was appointed as acting Chair on 1 June 2015 and resigned on 5 October 2015

Peter Little was appointed Chair on 6 October 2015

Company registered number

07546141

Principal and registered office

BEST House, Shefford Road, Clifton, Bedfordshire, SG17 5QS

Senior management team

Robert Robson, Executive Principal (Strategy, Innovation and Finance)
Adrian Rogers, Executive Principal (Teaching and Learning) (resigned 1 March 2015)
Alex Prior, Principal
Lyn Rouse, Principal
Derek Archer, Principal
Nick Martin, Vice Principal (Student Learning, Progress and Intervention)
Julian Axford, Vice Principal (9-13 Learning and Curriculum)
David Goode, Assistant Principal (Staff Development)
Ian Butler, Assistant Principal (Data, Assessment and Exams)
Steve Fox, Assistant Principal (Children and Family Services)
Ian Kite, Assistant Principal (Head of Projects, Resources, Operations and Capital - CEO BEST)

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE MULTI-ACADEMY TRUST, ITS
MEMBERS/ TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Administrative details (continued)

Independent auditor

Mazars LLP, The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, MK9 1FF

Bankers

National Westminster Bank Plc, 152 Silbury Boulevard, Milton Keynes, MK9 1LT

Lloyds Bank Plc, Queens Square, Wolverhampton, WV1 1RF

Nationwide Building Society, PO Box 3, 5-11 St. Georges Street, Douglas, Isle of Man, IM99 1AS

Solicitors

DWF LLP, 1 Scott Place, 2 Hardman Street, Manchester, M3 3AA

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 AUGUST 2015

The Directors (who are also Directors of the charity for the purposes of the Companies Act) present their annual report, together with the audited financial statements of Bedfordshire East Multi-Academy Trust (the Multi-Academy Trust) for the year ended 31 August 2015. The Directors confirm that the Annual Report and financial statements of the Multi-Academy Trust comply with the current statutory requirements, the requirements of the Multi-Academy Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

The Multi-Academy Trust also trades under the name BEMAT and comprises Samuel Whitbread Academy (SWA), Robert Bloomfield Academy (RBA), Etonbury Academy (ETA), Gothic Mede Academy (GMA), Gravenhurst Academy (GHA) and Langford Village Academy (LVA). The later three academies converted to be part of BEMAT on the following dates during the prior year:

- GMA - 1st November 2013
- GHA - 1st September 2013
- LVA - 1st June 2014

STRUCTURE, GOVERNANCE AND MANAGEMENT

a. Constitution

The Multi-Academy Trust is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Multi-Academy Trust. The Trustees of BEMAT are also the Directors of the Charitable Company for the purposes of Company law.

b. Members' Liability

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

c. Method of Recruitment and Appointment or Election of Trustees

Subject to Articles 48-49 and 63, the Company shall have the following Directors:

- a. up to 3 Directors, appointed under Article 50;
- b. any Staff Directors, if appointed under Article 50A;
- c. up to 5 Academy Directors appointed under Article 51 or Article 52;
- d. the Chief Executive Officer (if appointed);
- e. a minimum of 2 Parent Directors appointed under Articles 53-56D;
- f. at the discretion of the Directors, 1 Director may be appointed by BEST Limited;
- g. the company's Accounting Officer shall be an ex-officio Director.

The Company may also have any Co-opted Director appointed under Article 58.

The term of office for any Director shall be 4 years. Subject to remaining eligible to be a particular type of Director, any Director may be re-appointed or re-elected.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2015

d. Policies and Procedures adopted for the Induction and Training of Trustees

The training and induction provided for new Directors will depend on their existing experience.

Where necessary induction will include training on educational, legal and financial matters. All new Directors will be given the opportunity of a tour of the Academies, have the chance to meet with staff and students and provided with copies of key documents, such as policies, procedures, accounts, budgets, plans and other documents they need to undertake their role as Directors. As there is expected to be only a small number of new Directors a year, induction will be carried out informally and will be tailored specifically to the individual. We subscribe to the Central Bedfordshire Council Learning Service giving all BEMAT Directors and Governors access to extensive face to face and on line training.

e. Organisation Structure

A unified management structure has been put in place and this will help the way the Academies are run. The structure now consists of four levels: the Board of Directors, Local Governors, the Senior Managers (Strategy & Operations Groups) and the Operational Management Team. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Directors are responsible for setting general policy, adopting an annual plan and budget, monitoring the Academies by the use of budgets and making major decisions about the direction of the Academies capital expenditure and senior staff appointments.

The Senior Management Team (Strategy & Operations Group) consists of the Executive Principals, Principals, Vice Principals, Assistant Principals and the Head of Projects, Resources, Operations and Capital. These managers control the Academies at an executive level, implementing the policies laid down by the Board and reporting back to them. As a group the Senior Managers are responsible for the authorisation of spending within agreed budgets and the appointment of staff, though appointment panels for posts in the Operational Management Team must always contain a Director. Some spending control is devolved to members of the Operational Management Team, with limits above which a Senior Manager must countersign. (As per the Academies' finance policy).

The Operational Management Team includes the Executive Principals, Principals, Vice Principals, Assistant Principals, the Head of Projects, Resources, Operations and Capital, the Heads of Year and the Subject Leaders. These managers are responsible for the day to day operation of the Academies, in particular organising the teaching staff, facilities and students.

Further to changes in the Academies Financial Handbook and the size of the task vs. capacity for the appointed RO the Directors have decided to appoint our External Auditors to carry out this role.

These arrangements can provide reasonable, but not absolute, assurance that assets are safeguarded, transactions are authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

f. Connected Organisations, Including Related Party Relationships

BEMAT works in close collaboration with Bedfordshire East Schools Trust (BEST). BEST Ltd is the freeholder of BEMAT lands, buildings and assets. BEST Ltd's aim is 'to advance education and community cohesion,' BEST is a co-operative trust and foundation which enables all schools and academies in the Samuel Whitbread Academy catchment to work together across 6 development strands; Raising Achievement for All, Developing a 0-19 Curriculum and 0-19 Children and Family Services as well as all through Training, Community Cohesion and providing an all through Finance, Resources and ICT Infrastructure.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2015

g. Risk Management

The Directors have a risk management process and register in place which identifies the Strategic & Operational risks that the Trust is exposed to. The Risk Register follows the format recommended in the Academies Financial Handbook and seeks to identify the likelihood of a risk occurring, its impact and actions that are being taken to mitigate the risk. Risks included on the Register are varied but come under three general sub-sections: Strategic and Reputational Risks; Operational Risks; and Financial Risks. Examples include governance risks, the inability to improve and maintain parental and wider community support, ICT system failures, budgetary risks, HR-related and health and safety. Where appropriate some significant financial risks such as public and employee liability are covered by Insurance. The Academy operates systems of internal financial controls and checks and these are examined routinely by the Audit Committee and annually by the Trust's external Auditors. The risk register is reviewed termly by the Finance Committee.

h. Trustees' Indemnities

Subject to the provisions of the Companies Act 2006 every Director or other Officer or auditor of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in that capacity in defending any proceedings, whether civil or criminal, in which judgment is given in favour or in which he is acquitted or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company (AA c137).

i. Objects

The Company's object ("the Object") is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing, developing and raising standards at schools ("the Academies") offering a broad and balanced curriculum (AA c4).

j. Employment policies

The Multi-Academy Trust continues to encourage the participation of its employees in the business in which they work. Established communication and consultation procedures exist which aim to ensure that employees are informed about, and involved in, matters which are of interest and concern to them.

BEMAT is an equal opportunities employer and its policies for the recruitment, training, career development and promotion of employees are based on the relevant merits and abilities of the individuals concerned. The policies also allow disabled persons to complete on an equal basis. Any existing employee who becomes disabled is given the training required to ensure that, wherever possible, continuity of employment can be maintained.

BEMAT also promotes all aspects of health and safety in the interest of its employees.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2015

OBJECTIVES AND ACTIVITIES

a. Objectives and Aims

The Company's object ("the Object") is specifically restricted to the following: to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing, developing and raising standards at schools ("the Academies") offering a broad and balanced curriculum (AA c4).

1. Excellent teaching standards to allow our children to reach their potential and we set the highest expectations
2. A modern and vibrant curriculum which prepares our children to lead successful lives
3. Support that overcomes barriers to learning
4. The excellent learning environments that our children deserve
5. Extra-curricular opportunities that develop our children into well-rounded individuals

We are committed to serving our local community and we will consider schools and organisations joining our organisation, or working in partnership with us, if they share our aspirations.

BEMAT Objectives

- Raising Standards
- Staff development and improving teaching and learning
- Pupil intervention
- Curriculum Development
- Improving leadership and recruitment
- Enhancing the learning environment
- Establishing new educational provision
- Working within our community and BEST
- Achieving Best Value

Commitment

We will hold ourselves accountable to these statements and ensure we communicate the vision and manifesto to our community.

b. Public Benefits

The Trust has considered the Charity Commission's guidance on Public Benefit. The key public benefit delivered by BEMAT is the provision of high quality of education to its students and wider community. BEMAT takes collective responsibility for the success of all pupils within the context of the family - there are approximately 3,700 (2014 - 3,500) children being educated in BEMAT academies.

By working together we are a powerful voice and accountable to our local community - local people are elected to the BEMAT Board of Directors and the BEST Board of Trustees. We want every child in Central Bedfordshire and BEMAT to enjoy their childhood and have the best possible start in life. We want every child to do well at school, make friends and build strong relationships with their family.

Each of our schools retains its special ethos and culture, RBA has a reputation for outstanding sporting standards, ETA is building its reputation on community service, SWA has outstanding Arts, Engineering and is rapidly developing a reputation for excellence in sport. During the 2013/14 academic year, three lower schools joined the Trust. GHA is a very small but growing, 'Outstanding' rural lower school, providing high quality, personalised education. GMA is a 300 pupil lower school providing a 'Good' education to the Arlesey community, an area with a mixed socio-economic intake. LVA is enjoying improvement and has been rated 'Good' as a result of an Ofsted monitoring visit. BEMAT continues to add value to the drive to improve standards across the community.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2015

This will be the case as we incorporate lower schools and as we build our chain of nurseries with Bedfordshire East Schools Trust.

By working with external partners we are launching 'Centres of Excellence' for sports with Luton Town FC, Shefford and Sandy Hockey Club and Northampton Saints RFC with whom we run a school of excellence that recruited its first year 12 cohort this year. We intend to extend 'out of school hours community use' on our campuses wherever it is possible, for library services, use of ICT, community allotments, sports, clubs and activities, encouraging inter generational participation. Further developments at SWA will provide excellent sporting and leisure facilities including an all-weather pitch for rugby and football, at RBA a new reception, offices and learning centre, a leisure centre new all-weather pitch and new teaching block at Etonbury.

BEMAT believes the best vehicle for raising standards is through a 0 to 19 educational pathway and has (with its foundation BEST) developed new settings for pre-school and wrap around care in Shefford and Langford. By the age of 19 we want every young person to have the knowledge, skills and qualifications that will give them the best chance of success, so that they are prepared to take their full place in society as happy, healthy, contributing and confident citizens. We encourage high participation in both Further and Higher Education. We want education and training to suit the local area and the needs of the young people and the community and our new curriculum will expand the range of vocational and technical courses and include work placement with an emphasis on problem solving and enterprise. A new and exciting curriculum has been designed for Etonbury as it transitions from a 9 to 13 academy to 9 to 16 to compliment the offer at SWA. BEMAT is committed to the principal of local schools for local children, so reducing travel time, carbon emissions and bringing facilities to the community which may otherwise have none.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2015

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

a. Going Concern

After making appropriate enquiries, the Board of Directors has a reasonable expectation that the Multi-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 Accounting Policies.

b. Review of Activities

Of the six schools in BEMAT two are graded Outstanding, three are Good, and one is Requires Improvement but moving towards Good as reported by an interim visit from Ofsted.

SWA moved from a Grade 3 to a Grade 2 in their last Ofsted, and RBA gained its third consecutive Outstanding judgment.

Also, we received a DfE visit to assess our ability to 'sponsor' – the outcome was very positive. There are a number of new schools coming forward in the community and BEMAT will apply to sponsor them.

Our Middle and Upper Schools were heavily oversubscribed in summer 2014 and received record numbers of first choice applications – over 180 pupils applied for ETA (PAN of 150 – adjusted to 186), 293 pupils applied to RBA (PAN of 210 – adjusted to 240), 455 pupils applied to SWA, all accepted, but with a PAN of 434.

In partnership with Central Bedfordshire Council BEMAT is working to provide new pupil places on its RBA and ETA campuses and has embarked upon a rolling programme of proactive maintenance and refurbishment.

BEMAT, through its outstanding academy RBA, has Teaching School status and is one of the largest Teaching Schools in the country. BEMAT uses the expertise provided by the Teaching School to improve practice where it is below the high standards that have been set.

FINANCIAL REVIEW

a. Financial and Risk Management Objectives and Policies

The majority of the Trusts funding is via GAG from the Education Funding Authority and other Government grants administered via the EFA and/or Local Authority. This is supplemented via third party lettings of the Academy premises. All expenditure supports the Trusts key objective of delivery quality education to our students and community.

The Trust complies with the principles of financial control as outlined in the academies guidance published by the DfE, and as required in our funding agreement. Our Financial Procedures, Delegation of Financial Responsibilities and Value for Money Statement provide detailed information on the Academies' accounting procedures, financial controls and systems and principles which conform to the requirements both of propriety and of good financial management.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2015

The Board of Directors is accountable for the way in which the resources of the constituent Academies are allocated to meet the objectives set out in the school's development plans. Directors need to secure the best possible outcome for pupils, in the most efficient and effective way, at a reasonable cost. This will lead to continuous improvement in the school's achievements and services.

The Academies prepare both medium-term and short-term financial plans. The medium-term financial plan is prepared as part of the development planning process. The development plan indicates how the Academies' educational and other objectives are going to be achieved within the expected level of resources. The development plan provides the framework for the annual budget. The budget is a detailed statement of the expected resources available to the Academies and the planned use of those resources for the following year.

The Accounting Officer is responsible for reviewing the Financial Procedures on an annual basis and for recommending it to the Directors for approval. In general the overall position of each school's budget will be monitored on a monthly basis by the designated School Managers who will produce reports and written commentary for the Board of Directors on a quarterly basis. The reports will detail actual income and expenditure against budget for the Finance Committee.

b. Principle Risks and Uncertainties

As required under the Companies Act 2006, the governing body has reviewed the principal risks and uncertainties facing the academy trust, and these have been identified in the Risk Asset Register which is reviewed termly by the Finance Committee.

c. Reserves and Investment Policy

The Trust will retain a common reserve fund to mitigate any financial risk and to ensure the stability of the Trust as a whole and of our constituent Academies. The BEMAT Finance Committee is responsible for ensuring that our reserve fund is maintained sufficiently.

Spending requests (from constituent academies) must be considered by Finance Committee in line with the following stated priorities, and any subsequent recommendation must be minuted and made to the Board of Directors who holds the final decision to proceed:

- a. to fund any unavoidable in year operating deficit within our constituent academies;
- b. for specific long-term maintenance needs to the existing buildings and facilities;
- c. for any new facilities or infrastructure to meet student requirements; and
- d. to support learning to ensure standards are improved and maintained.

It has been agreed that an appropriate target reserves balance should equate to 1/12th of our total annual turnover. For the year ended 31 August 2015, this equates to an overall revenue reserve 'target' of £1.57m (2014 - £1.24m). Our current reserve balance as at 31 August 2015 amounts to £41.18m (2014 - restated to 37.77m) including a revenue reserve pool of £0.93m (2014 - £1.79m), excluding provisionally designated funds of £NIL (2014 - £0.34m) on RBA and the individual school funds.

The Trust will endeavour to invest its reserve funds wisely and with a low-risk philosophy to ensure funds not immediately required attract a healthy interest return. This will be done for via longer-term high interest accounts. The return on any such investments will be reported annually to the Board.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2015

PLANS FOR FUTURE PERIODS

a. Future Developments

As local demographics grow we expect all children and young people in the Stotfold, Arlesey, Shefford and Henlow catchment to be in BEMAT Academies and be supported by our co operative foundation Bedfordshire East Schools Trust Ltd. In March 2012 Central Bedfordshire Council's (CBC) New School Places Programme (2012/13 – 2016/17) was approved by the Council's Executive. The programme identified the need to increase pupil places within the 9-18 age range required as a result of demographic growth. The forecast demand for new school places requires 300 additional places serving the 13-19 age range across the entire catchment area, a further 120 serving the 9-13 age range in the Etonbury catchment and a further 120 permanent places serving the 9-13 age range in the Robert Bloomfield catchment. BEMAT is working with Central Bedfordshire to deliver these places.

BEMAT will be considering very carefully a Free School bid to help the provision of pupil places.

BEMAT Performance Targets for KS2, KS4 and KS5 (2011 to 2016)

Etonbury Academy - KS2:

	English		Maths	
	Level 4+	Level 5	Level 4+	Level 5
2016	85% above floor standard			
2015	90%	40%	88%	40%
2014	85%	12%	82%	38%
2013	87%	20%	88%	41%
2012	91%	37%	83%	30%
2011	91%	27%	70%	20%

Robert Bloomfield Academy - KS2:

	English		Math	
	Level 4+	Level 5	Level 4+	Level 5
2016	85% above floor standard			
2015	94%	55%	95%	60%
2014	95%	55%	96%	63%
2013	93%	51%	95%	60%
2012	94%	50%	95%	58%
2011	90%	50%	90%	55%

A Level:

	2016	2015	2014	2013	2012	2011
A*	6%	3.1%	3.4%	4.3%	8%	0%
A* A	18%	17.3%	17%	15%	17%	20%
A* B	40%	39.6%	36%	40%	38%	37%
A* C	70%	71.6%	66%	67%	66%	65%
A* E	99%	99.8%	99%	99%	98%	97%

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 AUGUST 2015

Samuel Whitbread Academy - 5A*-C grade including Maths and English:

2016	2015	2014	2013	2012	2011
60%	52%	59%	64%	61%	63%

We expect children in BEMAT to make at least expected progress and for many to exceed this. We expect our subgroups to be making at least good progress and for the gap between non pupil premium and pupil premium to be closing on the way to eliminating it. Our progress will be measured against national expectations and CBC aspirations as described in the Central Bedfordshire Educational Vision.

Any decision to expand our current portfolio will be considered only after a robust Due Diligence exercise to ascertain the merit of each application – and what the inclusion of further Academies will add to our overall strategic goals and objectives.

(END OF STRATEGIC REPORT)

PRIOR YEAR ADJUSTMENT

During the prior year, on 1 June 2014, Langford Village Lower School converted to Langford Village Academy and joined BEMAT. As this was late in the financial year, the EFA had not performed a valuation on the long-term leasehold property by the account filing deadline. Therefore the insurance valuation of £2,989,403 was the Directors' best estimate of the long-term leasehold property value. During the year ended 31 August 2015, the EFA valuation of £1,270,000 was completed.

In order that the financial statements show a true and fair view, the Directors' have reflected this change in valuation as a prior year adjustment. The adjustment decreases the comparative voluntary income - assets on conversion to academy (note 2) and brought forward long-term lease hold property by £1,719,403 (note 18). Opening reserves and cash flow have been appropriately restated.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

AUDITOR

The auditor, Mazars LLP, were appointed in the year and has indicated its willingness to continue in office. The Designated Directors will propose a motion re-appointing the auditor at a meeting of the Directors.

This report, incorporating the Strategic Report, was approved by order of the Board of Directors, as the company Directors, on 8 December 2015 and signed on the board's behalf by:



Peter Little
Chair of Directors

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Directors, we acknowledge we have overall responsibility for ensuring that Bedfordshire East 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 Directors has delegated the day-to-day responsibility to the Executive Principal (Strategy, Innovation and Finance), 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 Bedfordshire East Multi-Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Directors' Report and in the Directors' Responsibilities Statement. The Board of Directors has formally met 10 times during the year. Attendance during the year at meetings of the Board of Directors was as follows:

Director	Meetings attended	Out of a possible
Richard Ford, Member, Academy Director and Chair*	10	10
Peter Little, Member, Academy Director and Chair*	0	0
John Street, Member and Academy Director	10	10
Clare Morris, Academy Director and Chair*	7	10
Lesley Cave, Parent Director	9	10
Paul Martin, Parent Director	8	10
Adrian Rogers, Member, Staff Director and Executive Principal	5	5
Robert Robson, Member, Staff Director and Executive Principal	8	10
David Shelvey, Co-opted Director	10	10
Lyn Rouse, Staff Director and Principal	6	10
Derek Archer, Staff Director and Principal	5	10
Julie Chappell, Co-opted Director	0	0
Paul Walker, Co-opted Director	0	0
Lorraine MacDonald, Co-opted Director	0	0
Julie Hollings, Co-opted Director	0	0

* Richard Ford resigned as Chair on 13 May 2015.

Clare Morris was appointed as acting Chair on 1 June 2015 and resigned on 5 October 2015.

Peter Little was appointed Chair on 6 October 2015.

Julie Chappell resigned on 30 September 2014, before any meetings had been held.

Adrian Rogers resigned on 1 March 2015, after which 5 of the 10 meetings had been held.

Lyn Rouse, Robert Robson, Clare Morris and Derek Archer have all resigned post year end.

Peter Little, Paul Walker, Lorraine MacDonald and Julie Hollings have all been appointed post year end.

Please refer to page 1 for the full BEMAT Directors listing.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

The Finance Committee is a sub-committee of the main Board of Directors. Its purpose is to lead the development of strategic plans and provide leadership on financial issues (refer to TORs for specific responsibilities).

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
Paul Martin - Chair	5	5
Richard Ford	2	5
Robert Robson	4	5
David Shelvey	4	5

The Audit Committee is also a sub-committee of the main Board of Directors. It provides assurance over the suitability of, and compliance with, the Trust's financial systems and operational controls.

Attendance at meetings in the year was as follows:

Director	Meetings attended	Out of a possible
David Shelvey - Chair	3	3
Richard Ford	3	3
John Street	3	3

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 Multi-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 Bedfordshire East Multi-Academy Trust for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Directors has reviewed the key risks to which the Multi-Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Directors is of the view that there is a formal ongoing process for identifying, evaluating and managing the Multi-Academy Trust's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

The Multi-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 Directors;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Directors has considered the need for a specific internal audit function and has decided to appoint Mazars LLP as internal auditor.

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

- Payroll controls, as per BEMAT's Academy Finance Procedures
- Teaching school income and expenditure processes

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

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Executive Principal (Strategy, Innovation and Finance) has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditor;
- the work of the external auditor;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Multi-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 Finance Committee and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Directors on 8 December 2015 and signed on its behalf, by:



Peter Little
Chair of Directors



Robert Robson
Accounting Officer

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Bedfordshire East Multi-Academy Trust I have considered my responsibility to notify the Multi-Academy Trust Board of Directors 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 Multi-Academy Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the Multi-Academy Trust Board of Directors are able to identify any material, irregular or improper use of funds by the Multi-Academy Trust, or material non-compliance with the terms and conditions of funding under the Multi-Academy Trust's funding agreement and the Academies Financial Handbook (2014).

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 Directors and EFA.



Robert Robson
Accounting Officer

Date: 8 December 2015

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 AUGUST 2015

The Directors (who act as governors of Bedfordshire East Multi-Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Directors' Report (including the Strategic 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 Directors to prepare financial statements for each financial year. Under company law the Directors 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 Directors are required to:

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

The Directors 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 Directors 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 EFA/DfE have been applied for the purposes intended.

The Directors 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 Directors on 8 December 2015 and signed on its behalf by:



Peter Little
Chair of Directors

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

We have audited the financial statements of Bedfordshire East Multi-Academy Trust for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement 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) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' Responsibilities Statement, the Directors (who are also the directors of the charitable Multi-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 (APB's) Ethical Standards for Auditors. This report is made solely to the charity's members as a body. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body for our audit work, for this report, or for the opinions we have formed.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BEDFORDSHIRE EAST
MULTI-ACADEMY TRUST**

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

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 Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Stephen Brown (Senior Statutory Auditor)

for and on behalf of

Mazars LLP

Chartered Accountants
Statutory Auditor

The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Date: 11 December 2015

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO BEDFORDSHIRE EAST MULTI-ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 25 September 2015 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Bedfordshire East Multi-Academy Trust during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Bedfordshire East 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 Bedfordshire East 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 Bedfordshire East Multi-Academy Trust and EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF BEDFORDSHIRE EAST MULTI-ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The accounting officer is responsible, under the requirements of Bedfordshire East Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 28 February 2011, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by 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 Multi-Academy Trust's income and expenditure.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO BEDFORDSHIRE EAST 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 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Stephen Brown (Senior Statutory Auditor)

for and on behalf of

Mazars LLP

Chartered Accountants
Statutory Auditor

The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Date: 11 December 2015

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES

(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	As restated Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	2	649,203	-	-	649,203	4,229,893
Activities for generating funds	3	831,036	-	-	831,036	515,753
Investment income	4	17,717	3,000	-	20,717	13,446
Incoming resources from charitable activities	5	-	17,847,569	4,182,926	22,030,495	18,212,022
TOTAL INCOMING RESOURCES		1,497,956	17,850,569	4,182,926	23,531,451	22,971,114
NET INCOMING RESOURCES AVAILABLE FOR CHARITABLE APPLICATION		1,497,956	17,850,569	4,182,926	23,531,451	22,971,114
OTHER RESOURCES EXPENDED						
Charitable activities	7+8	510,299	18,440,562	427,178	19,378,039	17,816,455
Governance costs	9	-	37,035	-	37,035	22,317
Costs of generating voluntary income	10	505,807	-	-	505,807	554,567
TOTAL CHARITABLE EXPENDITURE		1,016,106	18,477,597	427,178	19,920,881	18,393,339
TOTAL RESOURCES EXPENDED	6	1,016,106	18,477,597	427,178	19,920,881	18,393,339
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		481,850	(627,028)	3,755,748	3,610,570	4,577,775

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2015

		Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	As restated Total funds 2014 £
	Note					
Transfers between Funds	22	(1,554,409)	907,919	646,490	-	-
NET INCOME FOR THE YEAR		<u>(1,072,559)</u>	<u>280,891</u>	<u>4,402,238</u>	<u>3,610,570</u>	<u>4,577,775</u>
Actuarial gains and losses on defined benefit pension schemes		-	(195,000)	-	(195,000)	50,000
NET MOVEMENT IN FUNDS FOR THE YEAR		<u>(1,072,559)</u>	<u>85,891</u>	<u>4,402,238</u>	<u>3,415,570</u>	<u>4,627,775</u>
Total funds at 1 September 2014		2,292,886	(1,782,516)	38,976,859	39,487,229	33,140,051
Prior year adjustment	31	-	-	(1,719,403)	(1,719,403)	-
TOTAL FUNDS AT 31 AUGUST 2015		<u>1,220,327</u>	<u>(1,696,625)</u>	<u>41,659,694</u>	<u>41,183,396</u>	<u>37,767,826</u>

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

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

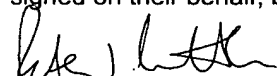
BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

Registered number: 07546141

(A Company Limited by Guarantee)**BALANCE SHEET****AS AT 31 AUGUST 2015**

	Note	£	2015 £	As restated 2014 £
FIXED ASSETS				
Tangible assets	18		40,154,435	36,222,920
CURRENT ASSETS				
Debtors	19	1,152,852		525,792
Cash at bank and in hand		5,247,838		4,321,874
		<u>6,400,690</u>		<u>4,847,666</u>
CREDITORS: amounts falling due within one year	20	(2,912,167)		(1,099,167)
NET CURRENT ASSETS			3,488,523	3,748,499
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>43,642,958</u>	<u>39,971,419</u>
CREDITORS: amounts falling due after more than one year	21		(309,562)	(311,593)
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			43,333,396	39,659,826
Defined benefit pension scheme liability	28		<u>(2,150,000)</u>	<u>(1,892,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u>41,183,396</u>	<u>37,767,826</u>
FUNDS OF THE ACADEMY				
Restricted funds:				
Restricted funds	22	453,375		109,484
Restricted fixed asset funds	22	41,659,694		37,257,456
Restricted funds excluding pension liability		42,113,069		37,366,940
Pension reserve		<u>(2,150,000)</u>		<u>(1,892,000)</u>
Total restricted funds			39,963,069	35,474,940
Unrestricted funds	22		<u>1,220,327</u>	<u>2,292,886</u>
TOTAL FUNDS			<u>41,183,396</u>	<u>37,767,826</u>

The financial statements were approved by the Directors, and authorised for issue, on 8 December 2015 and are signed on their behalf, by:



Peter Little
Chair of Directors

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

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015

	Note	2015 £	As restated 2014 £
Net cash flow from operating activities	24	5,226,341	1,834,556
Returns on investments and servicing of finance	25	17,717	13,446
Capital expenditure and financial investment	25	(4,359,007)	(674,870)
CASH INFLOW BEFORE FINANCING		885,051	1,173,132
Financing	25	40,913	341,259
INCREASE IN CASH IN THE YEAR		925,964	1,514,391

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015

	2015 £	As restated 2014 £
Increase in cash in the year	925,964	1,514,391
Cash outflow from decrease in debt and lease financing	(40,913)	(341,259)
CHANGE IN NET DEBT RESULTING FROM CASH FLOWS	885,051	1,173,132
Finance lease interest	(13,860)	-
Finance lease payments	68,914	-
MOVEMENT IN NET FUNDS IN THE YEAR	940,105	1,173,132
Net funds at 1 September 2014 (as restated)	3,980,615	2,807,483
NET FUNDS AT 31 AUGUST 2015	4,920,720	3,980,615

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

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

Designated funds comprise unrestricted funds that have been set aside by the Directors for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the Multi-Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For legacies, entitlement is the earlier of the Multi-Academy Trust being notified of an impending distribution or the legacy being received.

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

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

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

Sponsorship income provided to the Multi-Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the Multi-Academy Trust are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the Multi-Academy Trust can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of Financial Activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the Multi-Academy Trust's policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

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

Charitable activities are costs incurred in the Multi-Academy Trust's educational operations.

Governance costs include the costs attributable to the Multi-Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and Directors' meetings and reimbursed expenses.

1.5 Going concern

The Directors 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 Multi-Academy Trust to continue as a going concern. The Directors make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,000 (2014 - £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. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and are carried forward in the Balance Sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of Financial Activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Multi-Academy Trust's depreciation policy.

Tangible fixed assets are stated at cost less depreciation. 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:

Long-term leasehold property	-	Over the period of the lease
Motor vehicles	-	20% straight line
Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line
Asset under the course of construction	-	No depreciation

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

1. ACCOUNTING POLICIES (continued)

1.7 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Multi-Academy Trust. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

1.8 Operating leases

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

1.9 Taxation

The Multi-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 Multi-Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1.10 Pensions

Retirement benefits to employees of the Multi-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 Multi-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 Multi-Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 28, the TPS is a multi-employer scheme and the Multi-Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Multi-Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	As restated Total funds 2014 £
Donations	11,818	-	11,818	198,284
School fund income	637,385	-	637,385	472,801
Inherited defined pension scheme liability	-	-	-	(498,000)
Assets on conversion to academy (Note 31)	-	-	-	4,056,808
	<u>649,203</u>	<u>-</u>	<u>649,203</u>	<u>4,229,893</u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Hire of facilities	31,516	-	31,516	22,400
Other income	303,254	-	303,254	76,590
Staff recharges	92,782	-	92,782	121,934
Catering income	403,484	-	403,484	294,829
	<u>831,036</u>	<u>-</u>	<u>831,036</u>	<u>515,753</u>

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest received	17,717	-	17,717	13,446
Pension finance income (Note 17)	-	3,000	3,000	-
	<u>17,717</u>	<u>3,000</u>	<u>20,717</u>	<u>13,446</u>

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA revenue grants				
General Annual grants	-	15,723,423	15,723,423	14,916,386
Start up grants	-	-	-	75,000
Other DfE/EFA grants	-	443,647	443,647	318,153
Local authority grants	-	519,328	519,328	335,613
Educational consultancy services	-	447,909	447,909	363,149
Capital grants	-	4,896,188	4,896,188	2,203,721
	-	22,030,495	22,030,495	18,212,022

Included with capital grants is £4,182,926 (2014 - £1,285,000) of income for the Transforming Education Project and £547,215 (2014 - £676,104) of income from the School Condition Allowance (previously known as the Academy Capital Maintenance Fund or Condition Improvement Fund). See note 22 for the year end fund positions.

6. RESOURCES EXPENDED

	Staff costs 2015 £	Non Pay Depreciation 2015 £	Expenditure Other costs 2015 £	Total 2015 £	Total 2014 £
Direct costs - Restricted	12,342,394	-	1,406,083	13,748,477	12,600,830
Support costs - Restricted	1,436,732	427,177	3,255,354	5,119,263	4,858,013
Support costs - Unrestricted	235,378	-	274,921	510,299	357,612
Charitable activities	14,014,504	427,177	4,936,358	19,378,039	17,816,455
Governance	-	-	37,035	37,035	22,317
Costs of generating voluntary income	-	-	505,807	505,807	554,567
	14,014,504	427,177	5,479,200	19,920,881	18,393,339

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

7. DIRECT COSTS

	Restricted funds £	Total 2015 £	Total 2014 £
Pension finance cost (Note 17)	-	-	38,000
Academy's educational operations	183,836	183,836	155,554
Staff development	519,145	519,145	361,895
Education supplies	285,818	285,818	291,676
Teaching school	388,801	388,801	275,012
Educational consultancy	28,483	28,483	14,848
Wages and salaries	10,126,684	10,126,684	9,469,313
National insurance	724,570	724,570	689,232
Pension cost	1,491,140	1,491,140	1,305,300
	13,748,477	13,748,477	12,600,830

8. SUPPORT COSTS

	Unrestricted funds £	Restricted funds £	Total 2015 £	Total 2014 £
Other support costs	-	929,433	929,433	623,461
Insurance, security and transport costs	-	193,583	193,583	130,109
Rent, rates and utilities	-	214,729	214,729	232,712
PFI unitary charge	-	855,164	855,164	851,518
Maintenance of premises, equipment and cleaning	-	935,985	935,985	1,204,374
Recruitment costs	-	126,460	126,460	97,621
Catering expenses	274,921	-	274,921	201,399
Wages and salaries	235,378	1,106,643	1,342,021	1,199,344
National insurance	-	59,636	59,636	48,091
Pension cost	-	270,453	270,453	234,395
Depreciation	-	427,177	427,177	392,601
	510,299	5,119,263	5,629,562	5,215,625

Included within other support costs is £13,860 (2014 - £6,481) of finance lease interest and a deficit on disposal of tangible fixed assets of £314 (2014 - £NIL).

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

9. GOVERNANCE COSTS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration - statutory audit	-	17,000	17,000	17,000
Auditors' remuneration - comparison study	-	5,950	5,950	-
Auditors' remuneration - non audit	-	11,850	11,850	3,400
Governors' insurance	-	2,235	2,235	1,917
	-	37,035	37,035	22,317

10. COSTS OF GENERATING VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
School fund expenditure	505,807	-	505,807	554,567

11. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets:		
- owned by the charity	390,786	370,577
- held under finance leases	36,392	22,024
Operating lease rentals:		
- plant and machinery	47,905	10,702
- PFI	855,164	870,137
Deficit on disposal of tangible fixed assets	314	-

12. AUDITORS' REMUNERATION

	2015 £	2014 £
Fees payable to the Multi-Academy Trust's auditor and its associates for the audit of the Multi-Academy Trust's annual accounts	17,000	17,000
Fees payable to the Multi-Academy Trust's auditor and its associates in respect of:		
Comparison study audit	5,950	-
All other non-audit services not included above	11,850	3,400

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

13. STAFF

a. Staff costs

Staff costs were as follows:

	2015	2014
	£	£
Wages and salaries	11,382,232	10,517,276
Social security costs	784,206	737,323
Other pension costs (Note 28)	1,761,594	1,539,695
	<u>13,928,032</u>	<u>12,794,294</u>
Supply teacher costs	86,472	151,381
	<u><u>14,014,504</u></u>	<u><u>12,945,675</u></u>

b. Staff numbers

The average number of persons employed by the Multi-Academy Trust during the year expressed as full time equivalents was as follows:

	2015	2014
	No.	No.
Teaching staff	229	232
Non-teaching staff	156	150
	<u>385</u>	<u>382</u>

c. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2015	2014
	No.	No.
In the band £60,001 - £70,000	5	5
In the band £70,001 - £80,000	2	3
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	0	1
In the band £100,001 - £110,000	1	0
	<u>9</u>	<u>10</u>

Nine (2014 - nine) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £89,924 (2014 - £93,024). In the prior year, the other employee participated in the Local Government Pension Scheme, pension contributions amounted to £16,133.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

14. CENTRAL SERVICES

In comparison to the previous year the Multi-Academy Trust has increased the areas controlled centrally and provided the following central services to its academies during the year:

- Resources and operations support
- HR and payroll
- Finance
- IT
- Training Co-ordinator
- Head Office Rental
- Head Office Admin costs
- Pension Reporting

BEMAT put in place a central team that provides these functions across the whole Trust removing the need for duplicating roles and tasks in each academy and therefore providing economies of scale.

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

With the addition of the 3 lower schools during the previous year, it was decided to change to a proportionment basis using pupil sizes per academy, and this method is still used in this year.

The actual amounts charged during the year were as follows:

	2015
	£
Samuel Whitbread Academy	261,590
Robert Bloomfield Academy	119,537
Etonbury Academy	69,013
Gothic Mede Academy	40,369
Langford Village Academy	21,490
Gravenhurst Academy	8,204
	<hr/>
	520,203
	<hr/>

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

15. DIRECTORS' REMUNERATION AND EXPENSES

The highest paid Director received remuneration of £110,226 (2014 - £99,559) and pension contributions of £13,695 (2014 - £14,037).

The Principal and other staff Directors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Directors. Other Directors did not receive any payments, other than expenses, from the Multi-Academy Trust in respect of their role as Directors. The value of Directors' remuneration fell within the following bands:

	2015	2014
	£'000	£'000
Executive Principal 1	110-115	95-100
Executive Principal 2	85-90	85-90
Principal 1	Resigned in 2014	70-75
Principal 2	55-60	55-60
Principal 3	55-60	55-60

During the year, Directors received reimbursements of expenses of £30 (2014 - £542).

16. DIRECTORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Multi-Academy Trust has purchased insurance to protect Directors and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £2,235 (2014 - £1,917). The cost of this insurance is included in the total insurance cost.

17. PENSION FINANCE INCOME / (COST)

	2015	2014
	£	£
Expected return on pension scheme assets	232,000	181,000
Interest on pension scheme liabilities	(229,000)	(219,000)
	<u>3,000</u>	<u>(38,000)</u>

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

18. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Asset under the course of const'n £	Fixtures and fittings £	Computer equipment £	Motor vehicles £	Total £
Cost						
At 1 September 2014 (as previously stated)	38,111,397	250,464	104,985	213,831	-	38,680,677
Prior year adjustment (Note 31)	(1,719,403)	-	-	-	-	(1,719,403)
At 1 September 2014 (as restated)	36,391,994	250,464	104,985	213,831	-	36,961,274
Additions	27,918	4,304,315	8,671	5,108	12,995	4,359,007
Disposals	-	-	-	(1,257)	-	(1,257)
At 31 August 2015	36,419,912	4,554,779	113,656	217,682	12,995	41,319,024
Depreciation						
At 1 September 2014	562,984	-	69,664	105,706	-	738,354
Charge for the year	340,016	-	19,413	67,099	650	427,178
On disposals	-	-	-	(943)	-	(943)
At 31 August 2015	903,000	-	89,077	171,862	650	1,164,589
Net book value						
At 31 August 2015	35,516,912	4,554,779	24,579	45,820	12,345	40,154,435
At 31 August 2014 (as restated)	35,829,010	250,464	35,321	108,125	-	36,222,920

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2015 £	2014 £
Solar panels	349,599	335,399
Motor vehicles	12,345	-
	<u>361,944</u>	<u>335,399</u>

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

19. DEBTORS

	2015	2014
	£	£
Trade debtors	245,494	54,124
Other debtors	738,587	239,893
Prepayments and accrued income	168,771	231,775
	<u>1,152,852</u>	<u>525,792</u>

20. CREDITORS:
Amounts falling due within one year

	2015	2014
	£	£
Net obligations under finance leases	17,556	29,666
Trade creditors	1,652,518	462,937
Other taxation and social security	450,544	-
Accruals and deferred income	791,549	606,564
	<u>2,912,167</u>	<u>1,099,167</u>

The significant increase in debtors and creditors from the previous year is due to the large amounts of grant income, VAT claims and invoices due to the Transforming Education Project.

The introduction of the "Other taxation and social security" creditor was due to changing payroll provider resulting in a timing difference when paying Tax and NI to HMRC.

	£
Deferred income	
Deferred income at 1 September 2014	536,740
Resources deferred during the year	726,181
Amounts released from previous years	<u>(536,740)</u>
Deferred income at 31 August 2015	<u>726,181</u>

Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

21. CREDITORS:
Amounts falling due after more than one year

	2015	2014
	£	£
Net obligations under finance leases	309,562	311,593

Creditors include amounts not wholly repayable within 5 years as follows:

	2015	2014
	£	£
Repayable by instalments	142,074	184,528

Obligations under finance leases and hire purchase contracts, included above, are payable as follows:

	2015	2014
	£	£
Between one and five years	167,488	127,065
After five years	142,074	184,528
	<u>309,562</u>	<u>311,593</u>

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

22. STATEMENT OF FUNDS

	Brought Forward As restated £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds						
RBA School Fund	113,159	393,933	(297,470)	-	-	209,622
ETA School Fund	34,925	160,488	(129,413)	-	-	66,000
GMA School Fund	7,792	28,607	(24,148)	-	-	12,251
GHA School Fund	508	1,274	(1,526)	-	-	256
LVA School Fund	5,947	53,083	(53,250)	-	-	5,780
RBA Buildings Fund	341,177	-	-	(341,177)	-	-
	<u>503,508</u>	<u>637,385</u>	<u>(505,807)</u>	<u>(341,177)</u>	<u>-</u>	<u>293,909</u>
General funds						
General Funds - all funds	1,789,378	860,571	(510,299)	(1,213,232)	-	926,418
Total Unrestricted funds	<u>2,292,886</u>	<u>1,497,956</u>	<u>(1,016,106)</u>	<u>(1,554,409)</u>	<u>-</u>	<u>1,220,327</u>
Restricted funds						
General Annual Grant (GAG)	(252,793)	16,852,445	(17,574,742)	1,018,172	-	43,082
School Condition Allowance	70,293	547,215	(448,054)	-	-	169,454
RBA Teaching School	291,984	447,909	(388,801)	(110,253)	-	240,839
Pension reserve	(1,892,000)	3,000	(66,000)	-	(195,000)	(2,150,000)
	<u>(1,782,516)</u>	<u>17,850,569</u>	<u>(18,477,597)</u>	<u>907,919</u>	<u>(195,000)</u>	<u>(1,696,625)</u>
Restricted fixed asset funds						
Fixed Asset Funds	36,222,920	-	(427,178)	4,358,693	-	40,154,435
Transforming Education Project	1,034,536	4,182,926	-	(3,712,203)	-	1,505,259
	<u>37,257,456</u>	<u>4,182,926</u>	<u>(427,178)</u>	<u>646,490</u>	<u>-</u>	<u>41,659,694</u>
Total restricted funds	<u>35,474,940</u>	<u>22,033,495</u>	<u>(18,904,775)</u>	<u>1,554,409</u>	<u>(195,000)</u>	<u>39,963,069</u>
Total of funds	<u><u>37,767,826</u></u>	<u><u>23,531,451</u></u>	<u><u>(19,920,881)</u></u>	<u><u>-</u></u>	<u><u>(195,000)</u></u>	<u><u>41,183,396</u></u>

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

22. STATEMENT OF FUNDS (continued)

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

Designated Funds

The schools maintain separate School Funds to manage income and expenditure for school trips and other activities. The SWA school fund is an incorporated charity and is therefore not shown in the financial statements of BEMAT.

BEMAT has also been allocated a share of Section 106 monies by the Local Authority in order to extend and develop the facilities at all the schools to accommodate rising pupil numbers. During the year ended 31 August 2013, RBA allocated £550,000 of its own GAG funding towards the planned building work. During the year ended 31 August 2014, a transfer of £208,823 was made in relation to the library building. During the year ended 31 August 2015, the remaining balance of £341,177 was transferred as these costs had been incurred during the year.

General Fund

This represents income and expenditure relating to activities undertaken by the Academies as part of their charitable aims. The Academies can use these funds for any purpose.

A transfer is made from general funds to restricted fixed assets for expenditure spent on tangible fixed assets in the year.

Restricted Funds

The Academies received a number of grants during the year for the purpose of providing educational services to their pupils. These funds included grants from the EFA for the General Annual Grant (GAG), Pupil Premium and Special Educational Needs grants from the Local Authority. These grants have been used for staff costs, educational resources and general costs incurred in the running of the Academies.

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

During the year ended 31 August 2015, BEMAT prepared a budget with an in-year deficit, supported by reserves, as approved by the EFA. From the year ended 31 August 2016, BEMAT has prepared a balanced budget. A transfer from unrestricted reserves to GAG has been made in respect of deficits held by individual academies at the year end.

The School Condition Allowance (previously known as the Academy Capital Maintenance Fund or Condition Improvement Fund), the RBA Teaching School and Pension reserve are shown separately to GAG. A transfer is made each year from the Teaching School to GAG to reflect staff time spent on the Teaching School.

Restricted Fixed Asset Funds

Fixed Asset Funds are reflective of the net book value of tangible fixed assets held by BEMAT.

The Transforming Education Fund is funding received from the EFA to expand the capacity of RBA and ETA. During the year ended 31 August 2015, a transfer of £3,712,203 (2014 - £250,464) was made in respect of the capital project work held as an asset under the course of construction. The balance at the year end is funding received and not yet spent.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

22. STATEMENT OF FUNDS (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2015 were allocated as follows:

	Total £
Samuel Whitbread Academy	74,448
Robert Bloomfield Academy	764,600
Etonbury Academy	68,967
Gravenhurst Academy	108,292
Gothic Mede Academy	333,409
Langford Village Academy	81,136
Centralised function	242,850
	<hr/>
Total before fixed asset fund and pension reserve	1,673,702
Restricted fixed asset fund	41,659,694
Pension reserve	(2,150,000)
	<hr/>
	41,183,396

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 depreciation £	Total £
Samuel Whitbread Academy	6,246,153	756,813	551,999	1,470,256	9,025,221
Robert Bloomfield Academy	2,821,313	535,971	110,029	1,454,385	4,921,698
Etonbury Academy	1,580,229	172,798	103,164	520,562	2,376,753
Gravenhurst Academy	174,610	45,535	7,172	74,336	301,653
Gothic Mede Academy	774,846	175,415	36,817	253,759	1,240,837
Langford Village Academy	537,905	137,387	24,243	194,660	894,195
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	12,135,056	1,823,919	833,424	3,967,958	18,760,357

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

22. STATEMENT OF FUNDS (continued)

SUMMARY OF FUNDS

	Brought Forward As restated £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Designated funds	503,508	637,385	(505,807)	(341,177)	-	293,909
General funds	1,789,378	860,571	(510,299)	(1,213,232)	-	926,418
	<u>2,292,886</u>	<u>1,497,956</u>	<u>(1,016,106)</u>	<u>(1,554,409)</u>	<u>-</u>	<u>1,220,327</u>
Restricted funds	(1,782,516)	17,850,569	(18,477,597)	907,919	(195,000)	(1,696,625)
Restricted fixed asset funds	37,257,456	4,182,926	(427,178)	646,490	-	41,659,694
	<u>37,767,826</u>	<u>23,531,451</u>	<u>(19,920,881)</u>	<u>-</u>	<u>(195,000)</u>	<u>41,183,396</u>

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	As restated Total funds 2014 £
Tangible fixed assets	-	-	40,154,435	40,154,435	36,222,920
Current assets	1,220,327	3,675,104	1,505,259	6,400,690	4,847,666
Creditors due within one year	-	(2,912,167)	-	(2,912,167)	(1,099,167)
Creditors due in more than one year	-	(309,562)	-	(309,562)	(311,593)
Provisions for liabilities and charges	-	(2,150,000)	-	(2,150,000)	(1,892,000)
	<u>1,220,327</u>	<u>(1,696,625)</u>	<u>41,659,694</u>	<u>41,183,396</u>	<u>37,767,826</u>

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

24. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	As restated 2014 £
Net incoming resources before revaluations	3,610,570	4,577,775
Returns on investments and servicing of finance	(17,717)	(13,446)
Inherited defined benefit pension scheme liability	-	498,000
Inherited school fixed assets	-	(3,690,000)
Depreciation of tangible fixed assets	427,178	392,601
Deficit on disposal of tangible fixed assets	314	-
Increase in debtors	(627,059)	(287,213)
Increase in creditors	1,770,055	347,839
FRS 17 adjustments	63,000	9,000
Net cash inflow from operations	5,226,341	1,834,556

25. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest received	17,717	13,446
	2015 £	2014 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(4,359,007)	(674,870)
	2015 £	2014 £
Financing		
New finance lease	40,913	341,259

26. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	31 August 2015 £
Cash at bank and in hand:	4,321,874	925,964	5,247,838
Debt:			
Debts due within one year	(29,666)	12,110	(17,556)
Debts falling due after more than one year	(311,593)	2,031	(309,562)
Net funds	3,980,615	940,105	4,920,720

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

27. GRANT FUNDED CAPITAL COMMITMENTS

At 31 August 2015 the Multi-Academy Trust had the following grant funded capital commitments:

	2015 £	2014 £
Contracted for but not provided in these financial statements	5,171,158	9,475,473

28. PENSION COMMITMENTS

The Multi-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 Bedford Borough Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2014 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.

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% employer administration charge (currently 14.1%);
- total scheme liabilities for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSION COMMITMENTS (continued)

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

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

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in from April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSION COMMITMENTS (continued)

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Multi-Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Multi-Academy Trust has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Multi-Academy 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 2015 was £651,000, of which employer's contributions totalled £525,000 and employees' contributions totalled £126,000. The agreed contribution rates for future years are 24% for employers and employee's contributions are banded according to their pay scale.

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

The amounts recognised in the Balance Sheet are as follows:

	2015	2014
	£	£
Present value of funded obligations	(6,840,000)	(5,836,000)
Fair value of scheme assets	4,690,000	3,944,000
	<u> </u>	<u> </u>
Net liability	<u>(2,150,000)</u>	<u>(1,892,000)</u>

The amounts recognised in the Statement of Financial Activities are as follows:

	2015	2014
	£	£
Current service cost	(591,000)	(459,000)
Interest on obligation	(229,000)	(219,000)
Expected return on scheme assets	232,000	181,000
	<u> </u>	<u> </u>
Total	<u>(588,000)</u>	<u>(497,000)</u>
	<u> </u>	<u> </u>
Actual return on scheme assets	<u>95,000</u>	<u>343,000</u>

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSION COMMITMENTS (continued)

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

	2015	2014
	£	£
Opening defined benefit obligation	5,836,000	4,014,000
Current service cost	591,000	459,000
Interest cost	229,000	219,000
Contributions by scheme participants	126,000	119,000
Actuarial Losses	58,000	288,000
Liabilities assumed in a business combination	-	737,000
	<u>6,840,000</u>	<u>5,836,000</u>
Closing defined benefit obligation	<u>6,840,000</u>	<u>5,836,000</u>

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

	2015	2014
	£	£
Opening fair value of scheme assets	3,944,000	2,579,000
Expected return on assets	232,000	181,000
Actuarial gains and (losses)	(137,000)	338,000
Contributions by employer	525,000	488,000
Contributions by employees	126,000	119,000
Assets acquired in a business combination	-	239,000
	<u>4,690,000</u>	<u>3,944,000</u>
	<u>4,690,000</u>	<u>3,944,000</u>

The Multi-Academy Trust expects to contribute £553,000 to its Defined Benefit Pension Scheme in 2016.

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

	2015	2014
Equities	67.00 %	69.00 %
Bonds	18.00 %	19.00 %
Property	11.00 %	9.00 %
Cash	4.00 %	3.00 %

Principal actuarial assumptions at the Balance Sheet date (expressed as weighted averages):

	2015	2014
Discount rate for scheme liabilities	3.70 %	3.70 %
Expected return on scheme assets at 31 August	3.70 %	5.40 %
Rate of increase in salaries	3.50 %	3.40 %
Rate of increase for pensions in payment / inflation	2.60 %	2.60 %

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

28. PENSION COMMITMENTS (continued)

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

	2015	2014
Retiring today		
Males	22.4	22.4
Females	24.3	24.3
Retiring in 20 years		
Males	24.4	24.4
Females	26.8	26.8

Amounts for the current and previous three periods (since conversion) are as follows:

Defined benefit pension schemes

	2015 £	2014 £	2013 £	2012 £
Defined benefit obligation	(6,840,000)	(5,836,000)	(4,014,000)	(3,331,000)
Scheme assets	4,690,000	3,944,000	2,579,000	1,894,000
Deficit	<u>(2,150,000)</u>	<u>(1,892,000)</u>	<u>(1,435,000)</u>	<u>(1,437,000)</u>
Experience adjustments on scheme liabilities	(58,000)	(288,000)	(92,000)	(413,000)
Experience adjustments on scheme assets	<u>(137,000)</u>	<u>338,000</u>	<u>116,000</u>	<u>(44,000)</u>

29. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Multi-Academy Trust had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2015 £	2014 £
Expiry date:		
After more than 5 years	<u>819,748</u>	<u>793,496</u>

BEDFORDSHIRE EAST MULTI-ACADEMY TRUST

(A Company Limited by Guarantee)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015

30. RELATED PARTY TRANSACTIONS

Owing to the nature of the Multi-Academy Trust's operations and the composition of the Board of Directors being drawn from local public and private sector organisations, transactions may take place with organisations in which a Director has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Multi-Academy Trust's financial regulations and normal procurement procedures.

The following related party transactions took place during the year:

John R Ford & Sons Ltd, a company in which the former Chair of Directors Richard Ford is also a Director, was paid a total of £1,753 (2014 - £1,945) by BEMAT in the year, for the maintenance and upkeep of school vehicles. There were no amounts outstanding at the year end (2014 - £NIL).

During the year, BEST Limited, an independent charitable company with a number of common Directors/Trustees, charged BEMAT £36,840 (2014 - £33,380) to cover costs associated with assisting BEMAT. It also charged £4,505 (2013 - £3,856) for the use of a room at BEST House, £1,574 (2014 - £452) for the use of staff and sundries of £NIL (2014 - £3,000). There were no amounts outstanding at the year end (2014 - £NIL).

31. PRIOR YEAR ADJUSTMENT

During the prior year, on 1 June 2014, Langford Village Lower School converted to Langford Village Academy and joined BEMAT. As this was late in the financial year, the EFA had not performed a valuation on the long-term leasehold property by the account filing deadline. Therefore the insurance valuation of £2,989,403 was the Directors' best estimate of the long-term leasehold property value. During the year ended 31 August 2015, the EFA valuation of £1,270,000 was completed.

In order that the financial statements show a true and fair view, the Directors' have reflected this change in valuation as a prior year adjustment. The adjustment decreases the comparative voluntary income - assets on conversion to academy (note 2) and brought forward long-term lease hold property by £1,719,403 (note 18). Opening reserves and cash flow have been appropriately restated.