

**ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT
ACADEMY TRUST)**

(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2019



ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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REFERENCE AND ADMINISTRATIVE DETAILS

Trustees and members	M North ¹ P Cornish, Principal ¹ D Back, Chair ¹ T Harrison ¹
Trustees	C Bird (appointed 9 November 2018, resigned 24 September 2019) E Bone (appointed 9 November 2018) L Caunter G Davies, Staff Trustee (resigned 27 November 2018) G Hobbs, Staff Trustee C Newlands (appointed 9 November 2018) B Reeves ¹ C Robinson ¹ P Rudling (resigned 19 March 2019) S Wilkinson (appointed 27 November 2018)
	¹ Finance, Audit and Risk
Company registered number	07717015
Company name	Estuaries Multi Academy Trust
Principal and Registered office	Old Exeter Road Newton Abbot Devon TQ12 2NF
Company secretary	R Bellas
Principal	P Cornish
Senior management team	P Cornish, Principal L Ring, Deputy Principal N Hill, Business Manager S Kocur, Assistant Principal K West, Assistant Principal L Ransom, Assistant Principal R Blackshaw, Assistant Principal
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Century House Nicholson Road Torquay TQ2 7TD

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
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Bankers

Lloyds Bank plc
41 Courtenay Street
Newton Abbot
TQ12 2QW

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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2019. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 11 to 19 in Teignbridge. It has a pupil capacity of 1,182 and had a roll of 1,067 in the school census on 1 August 2019.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees of Estuaries Multi Academy Trust (Formerly Newton Abbot Academy Trust) are also the directors of the charitable company for the purposes of company law.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

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

**Trade union facility time
Relevant union officials**

Number of employees who were relevant union officials during the year	1
Full-time equivalent employee number	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	-
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	£	
Total cost of facility time	-	
Total pay bill	-	
Percentage of total pay bill spent on facility time	-	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that

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any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £10,000,000.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

On 1st August 2011 the Trustees appointed all those Trustees that served the predecessor school to be Trustees of the newly formed Academy. These Trustees were appointed on a term of office that would end when their original term at the predecessor school would have ended, thus ensuring a staggered re election or replacement process.

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

- up to 7 Trustees who are appointed by members.
- up to 2 Parent Trustees who are elected by parents of registered students at the College.
- up to 2 staff Trustees appointed by the Governing Body.
- up to 3 Co opted Trustees who are appointed by the Governing Body.
- the Principal, who is treated for all purposes as being an ex officio Trustee.

Trustees are appointed for a four-year period, except that this time limit does not apply to the Principal. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re appointed or re elected. The number of Trustees shall not be less than three but is not subject to any maximum and employees of the Trust who are also Trustees will not exceed one third of the total number of Trustees.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Academy operates a system where new Trustees undergo an Induction Process and a set procedure is followed for their appointment. Recruitment is also often an agenda item on Full Governing Body meetings.

The training and induction provided for new Trustees will depend upon their existing experience and follows a tailored Trustee induction programme including a tour of the Academy and meeting the Principal. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. Further training is available to all Trustees including specific courses offered by the Local Authority and other bodies.

Organisational Structure

The Board of Trustees meets 10 or 11 times a year. At its first meeting each year the Board establishes an overall framework for the governance of the Academy and determines its terms of reference. It monitors the activities of the Committees either through the minutes of their meetings or by a report fed back to the full Board. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are three committees as follows;

Finance, Risk and Audit Committee

Purpose: To meet with the Principal, as the Accounting Officer and Business Manager, as Chief Financial Officer, to review the financial position of the Trust, the risks associated with managing an Academy Trust and to review audits, including financial and health and safety audits.

Principal's Performance Review Committee

Purpose: To meet with the Principal and the School Improvement Partner (or other such external body

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appointed by the Governing Body) in the Autumn Term, convening sufficient meetings to discharge their responsibilities of monitoring the Principal's performance.

Pay Committee

Purpose: To meet in the Autumn term each year to review the salaries of the Leadership team.

The following committees meet, as required;

Discipline Committee

Meets as required.

Purpose: Where the Principal has decided to institute a permanent exclusion, to consider whether the student should be reinstated immediately, reinstated by a particular date, or not reinstated, irrespective of any representation from the parents and to work within any time scale laid down in DFE regulations. To hear any representations from parents about a fixed term exclusion under 5 college days.

First Committee

Meets as required.

Purpose: To consider such staff disciplinary cases as may be referred to the committee by the Principal or as members of the committee may decide according to the College's Disciplinary and Capability Procedures.

Appeals Committees

The Governing Body is required to set up a number of Appeal Committees including admissions, permanent exclusions, first committee, Pay, Curriculum Complaints, Special Educational Needs provision and any other matters as required.

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

The Trustees are responsible for setting strategic policy, adopting an annual improvement plan and budget, approving the statutory accounts, monitoring the performance of the Academy and making major decisions about the direction of the Academy, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Academy to the Principal and The Assistant Principal Team (APT). The APT comprises the Principal, Assistant Principals and the Business Manager. The College Leadership Team is made up of middle leaders within the Trust, consisting of Subject Team Leaders and other key student focused Heads of Department. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Principal is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings and in line with agreed salary scales.

The Trustees benchmark against pay levels in other Academies of a similar size. The benchmark is the mid-point of the range paid for similar roles

Connected Organisations, including Related Party Relationships

The Academy has preferential user rights of Newton Abbot Leisure Centre (owned by Teignbridge District

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Council) for the overwhelming majority of its indoor sporting activities. These rights, along with the related operating procedures and charging levels, are enshrined within a shared use agreement, reviewed and signed by both parties in June 2012.

The Academy maintains its strong links with local feeder primary schools as well as schools outside of the immediate Newton Abbot town area and throughout this year it has been part of a Formal Management Partnership with Dawlish College.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Academy is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing a school, offering a broad and balanced curriculum for students of all abilities and backgrounds.

The strategic intent of the Academy is to ensure excellence for all and in everything. The Academy aims to be an outcome focused, student centred learning organisation which enables students to attain high educational standards and to be fully engaged in all their learning. The development of outstanding teaching and outstanding leadership & management are central to the delivery these aims.

The Academy has a highly inclusive ethos, based upon the belief that all children are capable of achieving excellence, defined as continually striving to achieve one's personal best. It expects excellent attendance and behaviour as these are fundamental to maximising progress. Our overall aims are to increase opportunities, maximise outcomes and improve life chances for all of our young people.

The aims of the Academy during the year ended 31 August 2019 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils.
- to provide a broad and balanced curriculum, including extra curricular activities.
- to develop students as more effective learners.
- to enhance the tertiary provision and outcomes.
- to enhance teaching that supports the needs of identified students.
- to deliver High quality lessons as a result of highly effective planning based on assessment of student learning.
- to improve the progress made by disadvantaged students such that it matches that of their non-disadvantaged peers.
- to improve the attainment for HPA students (especially boys) – increasing the % of 9-7.
- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- to improve the effectiveness of the Academy by keeping the curriculum and organisational structure under continual review.
- to maximise the number of students who achieve 5 9-4/A*-C GCSE grades including English and Maths.
- to provide value for money for the funds expended.
- to develop greater coherence, clarity and effectiveness in school and business systems.
- to comply with all appropriate statutory and curriculum requirements.
- to maintain close links with industry and commerce.
- to develop the Academy's capacity to manage change, and
- to conduct the Academy's business in accordance with the highest standards of integrity, probity and openness.

At Newton Abbot Academy Trust we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

Objectives, Strategies and Activities

Annually, the Academy Improvement Plan is reviewed.

During the period ended August 31st 2019, the specific objectives delivering the Academy's aims were

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maintained as follows:

- to ensure Consistently Excellent Teaching across the whole College
- to deliver High quality lessons as a result of highly effective planning based on assessment of student learning.
- to improve the progress made by disadvantaged students such that it matches that of their non-disadvantaged peers.
- to improve the attainment for HPA students (especially boys) – increasing the % of 9-7.
- to continue to share excellent practice
- to improve parental communication and engagement
- to continue to develop formal collaboration
- to further improve Governance
- to further improve the facilities within the College
- to complete value for money building projects to improve the College
- to further improve the efficiency of the Support Services function
- to gain further value for money through contracts and supplier procurement

The Academy learning outputs for the year ending 31st August 2019 were as follows:

- 54% of students achieved 5+ grades in English at GCSE
- 73% of students achieved 4+ grades in English at GCSE
- 41% of students achieved 5+ grades in Maths at GCSE
- 73% of students achieved 4+ grades in Maths at GCSE
- 38% of students achieved 5+ grades in English & Maths at GCSE
- 62% of students achieved 4+ grades in English & Maths at GCSE
- Progress 8 Score -0.06
- Attainment 8 Score 45.70
- Percentage entering EBACC: 34.40%
- Percentage of students who've achieved the EBACC 5+: 12%
- Percentage of students staying in education or employment after key stage 4: 88%
- GCSE Disadvantaged Data:
 - Progress 8: -0.35
 - Attainment 8: 39.54
 - Basics 5+: 30.3%
 - Percentage entering EBACC: 11%
 - Percentage of students who've achieved the EBACC: 6.06%

Public Benefit

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

The Academy aims to advance for the public benefit through education in Newton Abbot and the surrounding area. In particular, but not exclusively, by offering a broad curriculum to its students.

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

The Academy provides support services to other local education establishments, ensuring a high quality service and providing value for money for other publically funded organisations.

The Academy works collaboratively with another secondary school in the local area in a formal management partnership, to ensure young people in the area receive the best education and training, irrespective of their previous educational or other background.

The Academy works collaboratively with the other two secondary Academies in the Greater Newton Abbot area

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(and with a range of other schools locally) to provide "second chance" educational opportunities to children at risk of permanent exclusion or permanently excluded, through managed moves, "stepping stones" and other related programmes.

STRATEGIC REPORT

Achievements and Performance

The Academy opened in 2011 and has grown in popularity, increasing our year 7 intake over the past three years. Our Planned Admission Number (PAN) for September 2019 has been increased from 240 to 270 to meet demand, in September 2018 we had 240 students join in year 7, an increase on the 210 the year before.

During the year, the Academy secured a capital grant to replace the dilapidated Devon Lady and Elliot Building classrooms and build a state of the art Dance Studio, Maths Classroom and extension to a Music Classroom.

The Academy has retained its close links with Dawlish College, through a formal management partnership that shares strategic leadership, improves teaching and learning and raises standards to further the quality of education in both schools.

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG).

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2018-19 were 1,136, an increase of 69 over 2017-18. It is anticipated that this number will continue to rise, with numbers at 1,266 in September 2019 and predicted to be at 1,375 in September 2020.

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2019 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academy also receives grants for fixed assets from the DfE which are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academy's accounting policies.

During the year ended 31 August 2019, the Academy received total income of £6,336,256 and incurred total expenditure of £6,577,572. The excess of expenditure over income for the year was £241,316.

At 31 August 2019 the net book value of fixed assets was £9,941,643 and movements in tangible fixed assets are shown in note 13 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land, buildings and other assets were transferred to the Academy upon conversion. Land and buildings were professionally valued on 1 August 2011 at £7,686,164. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

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

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in Note 24 to the financial statements.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Principal, managers, budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charging and Remissions, Lettings and Travel Policy.

Reserves Policy

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

The Academy plans to spend the majority of its revenue income each year on the students in its care, sums are set aside from this each year for planned replacement of capital items such as IT and infrastructure. The amount that can be carried forward from the General Annual Grant is no longer subject to restriction in the College's funding agreement.

Unrestricted funds allow greater flexibility to meet the future needs of the College and these will be maximised within the agreed reserve levels. The level of free reserves at year end was £303,202. The level of reserves will be kept under review by the Finance, Audit and Risk Committee and reflect the assessment of the predominant risks to the College.

The reserves policy is meant to ensure that the College's core activities can be maintained during a period of unforeseen difficulty. The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects, and the nature of reserves. This applies particularly to funds earmarked for future capital projects. In year reserves are to cover costs and other commitments and to meet unexpected emergencies such as urgent maintenance. Reserves are also required to protect the ongoing operation of the College whilst the effect of funding changes and competitive increases in capacity locally are managed. Governors deem it prudent to retain a target level for GAG reserves of £500,000 including budgeted contingency funds; equating to less than 10% of annual expenditure. However during this period of financial pressure on the Trust the Governors have agreed that the level of reserves is allowed to drop to enable services delivering education to be maintained. The level of GAG reserves at year end was £231,667. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance.

Trustees review the level of reserves held annually and are mindful that the current turbulence in the educational marketplace and how reserves are required as protection against this volatility in the short to medium term.

Trustees recognise that there is a significant pension deficit for the Local Government Pension Scheme (LGPS) fund which is accounted for in the restricted fund, which at year end had a deficit of £3,478,000. However, there is no likelihood that an immediate liability for this amount will crystallise. The deficit position of the pension scheme would generally result in a cash flow effect in the form of an increase in employers' pension contributions over a period of years. The academy trust has revisited its current budget and ascertained how pension costs may affect budgets in the future. On the basis that increased pension contributions will be met from the academy trust's budgeted annual income, whilst the deficit might not be eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves of the academy trust because of recognising the deficit.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

Investment Policy

The College's strategy is to:

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- Regularly monitor current balances to ensure the College has adequate balances to meet short term commitments.
- Identify funds surplus to short term funding requirements and transfer to a Deposit Account, if it bears a meaningfully higher interest rate.
- Periodically (at least annually) review interest rates and compare with other investment opportunities. In the case of earmarked reserves and medium term surplus funds ensure at least an average market return on deposited funds.
- Ensure all invested funds will be in no to low risks savings or investments.

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the Principal and Business Manager within strict guidelines approved by the Board of Trustees.

Principal Risks And Uncertainties

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

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

Financial - the Academy has considerable reliance on continued Government funding through the ESFA. In the last year 97% of the Academy's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

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

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Academy is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

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

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

The Trustees have assessed the major risks to which the Academy is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Whilst the Academy is popular, risks to revenue funding from a falling roll are small. However, the reduction in post 16 funding levels, the freeze on the Government's overall education budget, changes in funding

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arrangements for High Needs and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Academy applied for and was subsequently successful in receiving £147,556 Growth Funding from the local authority. This was to support the high number of students entering in year seven, versus the lower numbers leaving in year eleven. The Academy will also be applying for Growth Funding in the following financial year and have the support of the Education Skills Funding Agency in making a bid.

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

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

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 24 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

FUNDRAISING

The Academy receives the majority of its income from the Government and the Education Skills Funding Agency in the form of the General Annual Grant. Funds are also received for specific students, through the Pupil Premium allocation and upon completion of Educational Healthcare Plans. Funds are also raised through letting spaces within the College and selling services, namely IT Support, Facilities Management, Business Support, SENCO Support and sharing of Executive Head Teacher salary with another local Secondary School.

PLANS FOR FUTURE PERIODS

The Academy has an improvement plan which sets a clear strategic direction within its vision and aims. It will continue to move towards its strategic intent of being outstanding in all it does.

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

The Academy will continue to work in a formal management partnership with another local secondary school to improve the educational opportunities for students in the wider community. We will also continue working alongside Primary Schools to further improve the education of children in the local community.

Following the notification of a successful capital funding bid, the Academy will commence construction of a new Dance Studio and Maths Classroom in the coming year. The project is due for completion in April 2019 and will not only greatly enhance the facilities at the Academy, but will also be beneficial to the local community, bringing in additional income to the Academy through additional facilities to hire.

The continual drive to recruit, develop and motivate high calibre staff is fundamental to the achievement of this strategic intent.

The Academy will seek out best practice locally and nationally, especially through a full and active participation in the South West Teaching Schools Alliance network and the Devon Area Secondary Head Teachers (DASH) group, where the Principal was part of the Executive Group for the first two terms of the year.

We maintain strong links with the Exeter University Partnership Office through the Initial Teacher Training (ITT) PGCE programmes, which has been rated by Ofsted in the top three of providers of ITT programmes nationally. We also provide representation on their Course Development Committee consultation group and we are looking to further develop further links with the University of Plymouth.

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In 2016, the College was named as one of the Diana Award showcase schools for its tireless and highly effective anti-bullying work. This national award was an incredible achievement as the College was the only secondary school in the country to be awarded the accolade for the year. We hold the Soil Association Bronze Award, which recognises the delivery of fresh, traceable food that meets nutritional guidelines. Sporting prowess is recognised by receipt of the Sainsbury's Schools Games Mark Gold award, recognising the high numbers of students engaging in weekly extracurricular sporting activity, as well as curriculum-based Physical Education. The College supports 10 Primary Schools through the Dartmoor School Sport Partnership. In June 2018 we were included in the Department for Education document "Approaches to preventing and tackling bullying" as a Secondary School case study. We have also received a Global education Excellence Award from the Education First group, have completed the Less Co2 Programme run by the Ashden Awards scheme and are recognised as an Achievement for All partner for the work we do enabling every student to be the best they can be.

The Academy will provide significant support to its leaders and managers in the performance management systems designed to enable the delivery of its strategic intent and priorities.

The Academy will continue to develop its collaborative working as a means of enabling it to achieve its strategic intent and to ensure the Academy's long term strength.

Following the continuing major improvements to its building stock and physical resources, the Academy will continue to bring all facilities up to the standard of the best, in order that students have access to a physical environment and level of resource appropriate to an outstanding learning community.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

DISCLOSURE OF INFORMATION TO AUDITORS

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

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

AUDITORS

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

**ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

Scope of responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the Principal, 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 Estuaries Multi Academy Trust (Formerly Newton Abbot Academy Trust) and the Secretary of State for Education. They are also responsible for reporting to the board of Trustees any material weaknesses or breakdowns in internal control.

ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT (CONTINUED)

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The board of Trustees has formally met 9 times during the year.

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

Trustee	Meetings attended	Out of a possible
M North	8	9
P Cornish, Principal	9	9
D Back, Chair	7	9
T Harrison	5	9
C Bird	7	7
E Bone	7	7
L Caunter	9	9
G Davies, Staff Trustee	0	3
G Hobbs, Staff Trustee	5	9
C Newlands	7	7
B Reeves	7	9
C Robinson	7	9
P Rudling	5	5
S Wilkinson	4	6

The Board are currently recruiting new members to ensure there is coverage of skills required to undertake their role. A skills audit is due to be completed in the new academic year to further help enhance the requirements of the Board.

All trustees hold the Academy and its leaders to account and measure their effectiveness at raising standards. They play a strategic and skills-focused role, giving definition of purpose more aligned to the current financial and educational landscape.

The Finance, Audit and Risk Committee is a sub-committee of the main board of Trustees. Its purpose is to undertake the following:

- To oversee the annual budget setting.
- To regularly monitor income and expenditure against budget. Including reporting of any significant budget amendments.
- To review and monitor all policies under the scope of the Finance, Audit & Risk Committee, as delegated from the Governing Body.
- To ensure compliance with the Finance Policy and Academies Financial Handbook and ensure that academy financial control systems are robust.
- To have a strategic view regarding forward planning of school finances through longer term financial plans and projections, including capital funding both for maintenance of existing facilities and for school improvement projects.
- To review and approve financial reports and to take approved reports to the Full Governing Body and report to the Full Governing Body on any other matters of significance.
- To review the effectiveness of financial and other control systems.
- To oversee the academy's policy on fraud and irregularity.
- To provide internal scrutiny, by having in place a process for checking financial systems, controls, transactions and risks, delivering objective and independent assurance.
- To inform the Governance Statement that accompanies the annual accounts and, so far as is possible, provide assurance to the external auditors
- To receive reports from external auditors primarily relating to, but not limited to, Finance and Health and Safety
- To ensure capture of all business and pecuniary interests of members, trustees and senior employees
- To prepare an annual report for submission to the Governing Body on the work of the committee including an opinion on the effectiveness of the internal control system and the pursuit of value for money together

ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

with an assurance on risk management

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
Deborah Back	2	3
Paul Cornish (Principal)	2	3
Tami Harrison	3	3
Marina North	3	3
Barry Reeves	2	3
Charles Robinson	2	3

Review of value for money

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

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

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

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 Estuaries Multi Academy Trust (Formerly Newton Abbot Academy Trust) for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

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

**ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (CONTINUED)

The risk and control framework

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

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

The board of Trustees has considered the need for a specific internal audit function and has decided not to appoint a named individual as an internal auditor, however the Finance, Audit & Risk Committee as a whole carry out this function, with individuals in the committee reviewing areas of the Academy. The Trustees have appointed

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank account reconciliations
- Testing of staff costs
- Testing of staff/student ratios
- Testing to ensure value for money is received

On a termly basis, the reviewer reports to the board of Trustees through the finance, audit and risk committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

Review of effectiveness

As accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

The work of the internal reviewer

The work with finance, audit and risk committee as a whole

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

ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the board of Trustees on 10/12/19 and signed on their behalf by:

T Harrison
Trustee

T. Harrison

Paul Cornish
Accounting Officer



**ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



P Cornish
Accounting Officer

Date:

10/12/19

ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

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

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

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

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

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

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

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



T Harrison
Chair of Trustees

Date:

10/12/19

**ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)**

Opinion

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

In our opinion the financial statements:

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

Basis for opinion

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

Conclusions relating to going concern

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

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

**ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST) (CONTINUED)**

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)

INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST) (CONTINUED)

Responsibilities of trustees

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the Academy 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

William Hanbury FCA (Senior Statutory Auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Century House
Nicholson Road
Torquay
TQ2 7TD

Date: 13/12/19

A handwritten signature in black ink that reads "Bishop Fleming LLP". The signature is stylized, with the first letters of each word being prominent.

**ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ESTUARIES
MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST) AND THE EDUCATION &
SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 23 September 2011 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Estuaries Multi Academy Trust (Formerly Newton Abbot Academy Trust) during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Estuaries Multi Academy Trust (Formerly Newton Abbot Academy Trust)'s accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Estuaries Multi Academy Trust (Formerly Newton Abbot Academy Trust)'s funding agreement with the Secretary of State for Education dated 1 August 2011 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

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

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

ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

Conclusion

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

William Hanbury FCA (Reporting Accountant)

Bishop Fleming LLP
Century House
Nicholson Road
Torquay
TQ2 7TD

A handwritten signature in black ink that reads "Bishop Fleming LLP". The signature is stylized, with the first letters of each word being prominent and the "LLP" being written in a smaller, more compact style.

Date: 13/12/19

ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)

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

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants	3	-	70,663	76,418	147,081	909,827
Charitable activities		624	5,905,940	-	5,906,564	5,144,244
Other trading activities		280,090	-	-	280,090	210,925
Investments	6	2,521	-	-	2,521	854
Total income		283,235	5,976,603	76,418	6,336,256	6,265,850
Expenditure on:						
Charitable activities		239,049	6,072,476	266,047	6,577,572	6,353,487
Total expenditure		239,049	6,072,476	266,047	6,577,572	6,353,487
Net income/ (expenditure)		44,186	(95,873)	(189,629)	(241,316)	(87,637)
Transfers between funds	18	-	2,516	(2,516)	-	-
Net movement in funds before other recognised gains/(losses)		44,186	(93,357)	(192,145)	(241,316)	(87,637)
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	24	-	(540,000)	-	(540,000)	659,000
Net movement in funds		44,186	(633,357)	(192,145)	(781,316)	571,363
Reconciliation of funds:						
Total funds brought forward		259,016	(2,575,126)	10,141,979	7,825,869	7,254,506
Net movement in funds		44,186	(633,357)	(192,145)	(781,316)	571,363
Total funds carried forward		303,202	(3,208,483)	9,949,834	7,044,553	7,825,869

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

The notes on pages 28 to 53 form part of these financial statements.

ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07717015

BALANCE SHEET
AS AT 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	13	9,941,643	9,502,335
		<u>9,941,643</u>	<u>9,502,335</u>
Current assets			
Stocks		3,728	-
Debtors	14	309,137	504,702
Cash at bank and in hand		518,002	644,675
		<u>830,867</u>	<u>1,149,377</u>
Creditors: amounts falling due within one year	15	(216,853)	(185,498)
Net current assets		<u>614,014</u>	<u>963,879</u>
Total assets less current liabilities		<u>10,555,657</u>	<u>10,466,214</u>
Creditors: amounts falling due after more than one year	16	(33,104)	(46,345)
Net assets excluding pension liability		<u>10,522,553</u>	<u>10,419,869</u>
Defined benefit pension scheme liability	24	(3,478,000)	(2,594,000)
Total net assets		<u><u>7,044,553</u></u>	<u><u>7,825,869</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	9,949,834	10,141,979
Restricted income funds	18	269,517	18,874
		<u>10,219,351</u>	<u>10,160,853</u>
Restricted funds excluding pension asset	18	10,219,351	10,160,853
Pension reserve	18	(3,478,000)	(2,594,000)
Total restricted funds	18	<u>6,741,351</u>	<u>7,566,853</u>
Unrestricted income funds	18	<u>303,202</u>	<u>259,016</u>
Total funds		<u><u>7,044,553</u></u>	<u><u>7,825,869</u></u>

ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:07717015

BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2019

The financial statements on pages 25 to 53 were approved by the Trustees, and authorised for issue on 10/12/19 and are signed on their behalf, by:

T. Harrison

T Harrison
Chair of Trustees

The notes on pages 28 to 53 form part of these financial statements.

**ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

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

1. Accounting policies

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

Estuaries Multi Academy Trust (Formerly Newton Abbot Academy Trust) meets the definition of a public benefit entity under FRS 102.

1.2 GOING CONCERN

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

**ESTUARIES MULTI ACADEMY TRUST (FORMERLY NEWTON ABBOT ACADEMY TRUST)
(A COMPANY LIMITED BY GUARANTEE)**

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

1. Accounting policies (continued)

1.3 INCOME

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

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

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

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

Sponsorship income provided to the Academy which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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

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

1.4 INTEREST RECEIVABLE

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

1.5 EXPENDITURE

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

1. Accounting policies (continued)

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

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

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

All resources expended are inclusive of irrecoverable VAT.

1.6 TANGIBLE FIXED ASSETS

Assets costing £300 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold property	- 2% straight-line
Furniture and fixtures	- 25% straight-line
Computer equipment	- 33% straight-line
Motor vehicles	- 25% reducing balance

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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

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FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies (continued)

1.7 STOCKS

Stocks consist of cleaning materials and educational resources and are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on the cost of purchases on a first in first out basis.

1.8 DEBTORS

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

1.9 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.10 LIABILITIES

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

1.11 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

Cash at bank - is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in notes 15 and 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.12 TAXATION

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

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

1. Accounting policies (continued)

1.13 PENSIONS

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

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

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

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

1.14 FUND ACCOUNTING

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

Designated funds comprise unrestricted funds that have been set aside by the Trustees 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 the funders where the asset acquired or created is held for a specific purpose.

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

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

1.15 OPERATING LEASES

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

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FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.16 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from ESFA. Payments received from ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in Note 28.

2. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 24, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

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3. Income from donations and capital grants

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Donations	70,663	70,663	51,840
Capital Grants	76,418	76,418	857,987
Total 2019	<u>147,081</u>	<u>147,081</u>	<u>909,827</u>
Total 2018	<u>909,827</u>	<u>909,827</u>	

4. Funding for the Academy Trust's educational operations

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant	-	5,110,502	5,110,502	4,705,379
Other DfE/EFSA grants	-	573,093	573,093	230,831
High Needs	-	42,719	42,719	45,778
Other government grants	-	179,626	179,626	147,555
Sales to students	274	-	274	10,556
Other	350	-	350	4,145
Total 2019	<u>624</u>	<u>5,905,940</u>	<u>5,906,564</u>	<u>5,144,244</u>
Total 2018	<u>14,701</u>	<u>5,129,543</u>	<u>5,144,244</u>	

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NOTES TO THE FINANCIAL STATEMENTS
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5. Income from other trading activities

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Lettings	12,874	-	12,874	12,742
Catering income	52,235	-	52,235	1,020
Fees received	214,981	-	214,981	197,163
Total 2019	280,090	-	280,090	210,925
Total 2018	202,441	8,484	210,925	

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	2,521	2,521	854

All prior year income related to unrestricted funds.

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Education:					
Direct costs	3,804,256	189,589	443,539	4,437,384	4,234,893
Support costs	1,322,199	141,612	676,377	2,140,188	2,118,594
Total 2019	5,126,455	331,201	1,119,916	6,577,572	6,353,487
Total 2018	4,832,603	353,190	1,167,694	6,353,487	

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

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Education	4,437,384	2,140,188	6,577,572	6,353,487
Total 2018	4,234,893	2,118,594	6,353,487	

Analysis of direct costs

	Total funds 2019 £	Total funds 2018 £
Pension finance cost	68,000	75,000
Staff costs	3,736,256	3,507,765
Depreciation	189,589	183,470
Educational supplies	77,830	79,531
Examination fees	90,726	86,606
Staff development	18,135	21,699
Other costs	215,401	242,161
Supply teachers	41,447	38,661
Total 2019	4,437,384	4,234,893

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

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Staff costs	1,348,752	1,286,177
Depreciation	85,933	92,013
Other costs	93,288	85,395
Recruitment and support	11,331	10,609
Maintenance of premises and equipment	42,690	77,707
Cleaning	22,464	18,795
Rent and rates	94,254	92,341
Energy costs	74,066	76,895
Insurance	21,340	19,960
Security and transport	58,563	53,506
Catering	64,435	60,070
Technology costs	107,711	123,658
Office overheads	48,552	35,770
Legal and professional	66,462	80,672
Bank interest and charges	153	32
Governance costs	194	4,994
Total 2019	2,140,188	2,118,594

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	15,176	15,176
Depreciation of tangible fixed assets	275,522	275,483
Fees paid to auditors for:		
- audit	5,750	5,600
- other services	6,550	6,320

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

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	3,826,269	3,617,480
Social security costs	353,739	329,278
Pension costs	905,000	847,184
	<u>5,085,008</u>	<u>4,793,942</u>
Agency staff costs	41,447	38,661
	<u><u>5,126,455</u></u>	<u><u>4,832,603</u></u>

b. Staff numbers

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

	2019 No.	2018 No.
Teachers	66	63
Educational support	51	50
Administration and clerical	33	32
Management	6	7
	<u>156</u>	<u>152</u>

The average headcount expressed as full-time equivalents was:

	2019 No.	2018 No.
Teachers	60	58
Educational support	41	42
Administration and clerical	23	24
Management	6	7
	<u>130</u>	<u>131</u>

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10. Staff costs (continued)

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	1	-
In the band £90,001 - £100,000	1	1

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the Academy Trust was £507,459 (2018: £606,556).

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the Key Management Personnel other than in their role as Trustee, their remuneration as set out in note 11 has not been included in the total benefits received by Key Management Personnel above.

11. Trustees' remuneration and expenses

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

P Cornish: Remuneration ninety to ninety five thousand pounds (2018: ninety to ninety five thousand pounds), Employer's pension contributions fifteen to twenty thousand pounds (2018: fifteen to twenty thousand pounds). G Hobbs: Remuneration fifteen to twenty thousand pounds (2018: fifteen to twenty thousand pounds), Employer's pension contributions zero to five pounds (2018: zero to five thousand pounds).

During the year, retirement benefits were accruing to no Trustees (2018 - 1) in respect of defined benefit pension schemes.

During the year ended 31 August 2019, expenses totalling £NIL were reimbursed or paid directly to Trustee (2018 - £NIL to Trustee). [Enter details of the nature of the expenses reimbursed / paid directly].

12. Trustees' and Officers' insurance

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

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NOTES TO THE FINANCIAL STATEMENTS
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13. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2018	10,640,159	312,712	564,839	72,470	11,590,180
Additions	686,976	16,307	11,547	-	714,830
At 31 August 2019	11,327,135	329,019	576,386	72,470	12,305,010
Depreciation					
At 1 September 2018	1,244,730	279,616	508,178	55,321	2,087,845
Charge for the year	207,242	32,034	31,959	4,287	275,522
At 31 August 2019	1,451,972	311,650	540,137	59,608	2,363,367
Net book value					
At 31 August 2019	9,875,163	17,369	36,249	12,862	9,941,643
At 31 August 2018	9,395,429	33,096	56,661	17,149	9,502,335

14. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	25,571	28,158
VAT recoverable	274,079	413,483
VAT recoverable	9,487	63,061
	309,137	504,702

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

15. Creditors: Amounts falling due within one year

	2019 £	2018 £
ESFA loans	13,240	13,241
Other creditors	80,061	105,605
Accruals and deferred income	123,552	66,652
	<u>216,853</u>	<u>185,498</u>

Included within ESFA loans is a Salix loan repayable in six-monthly instalments over 5 years with an applicable interest rate of 0%.

16. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
ESFA loans	<u>33,104</u>	<u>46,345</u>

Included within ESFA loans is a Salix loan repayable in six-monthly instalments over 5 years with an applicable interest rate of 0%.

17. Financial instruments

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through income and expenditure	518,002	644,675
Financial assets that are debt instruments measured at amortised cost	25,571	28,158
	<u>543,573</u>	<u>672,833</u>
	2019 £	2018 £
Financial liabilities		
Financial liabilities measured at amortised cost	<u>(158,570)</u>	<u>(165,191)</u>

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand.

Financial assets that are debt instruments measured at amortised cost comprise trade debtors.

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

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

18. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	249,541	283,235	(229,574)	-	-	303,202
Fixed assets purchased from general funds	9,475	-	(9,475)	-	-	-
	<u>259,016</u>	<u>283,235</u>	<u>(239,049)</u>	<u>-</u>	<u>-</u>	<u>303,202</u>
Restricted general funds						
General Annual Grant (GAG)	-	5,253,502	(5,024,351)	2,516	-	231,667
High Needs	-	42,719	(42,719)	-	-	-
Pupil Premium	18,374	216,702	(235,076)	-	-	-
Other restricted	500	85,661	(86,161)	-	-	-
Year 7 catch up	-	12,101	(12,101)	-	-	-
Rates	-	24,865	(24,865)	-	-	-
Restricted donations	-	13,147	(13,147)	-	-	-
Trips	-	48,427	(48,427)	-	-	-
Growth funding	-	158,382	(158,382)	-	-	-
MDIF	-	121,097	(83,247)	-	-	37,850
Pension reserve	(2,594,000)	-	(344,000)	-	(540,000)	(3,478,000)
	<u>(2,575,126)</u>	<u>5,976,603</u>	<u>(6,072,476)</u>	<u>2,516</u>	<u>(540,000)</u>	<u>(3,208,483)</u>
Restricted fixed asset funds						
Fixed assets transferred on conversion	6,747,236	-	(134,328)	-	-	6,612,908
Fixed assets purchased from GAG and other restricted funds	923,498	-	(62,753)	-	-	860,745
DfE/ESFA Capital grants	2,521,031	76,418	(68,766)	(15,758)	-	2,512,925
Salix Loan	(59,586)	-	-	13,242	-	(46,344)

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NOTES TO THE FINANCIAL STATEMENTS
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18. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Other capital grants	9,800	-	(200)	-	-	9,600
	<u>10,141,979</u>	<u>76,418</u>	<u>(266,047)</u>	<u>(2,516)</u>	<u>-</u>	<u>9,949,834</u>
Total Restricted funds	<u>7,566,853</u>	<u>6,053,021</u>	<u>(6,338,523)</u>	<u>-</u>	<u>(540,000)</u>	<u>6,741,351</u>
Total funds	<u>7,825,869</u>	<u>6,336,256</u>	<u>(6,577,572)</u>	<u>-</u>	<u>(540,000)</u>	<u>7,044,553</u>

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

RESTRICTED FUNDS

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

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

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

Other restricted - This represents other restricted funds to be spent on Education, including support costs.

Restricted donations - This represents donations received for specific purposes.

Growth funding - This represents funds in relation to local authority growth funding.

MDIF - This represents funds in relation to MAT Development Improvement funding.

Pension Reserve – This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy.

RESTRICTED FIXED ASSET FUNDS

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

Fixed assets purchased from GAG and other restricted funds - These relate to Fixed Assets purchased using General Annual Grant (GAG) funds. The balance at the year end represents the net book value of assets purchased.

DfE/ESFA capital grants – These funds are received from the DfE/ESFA for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the net book value of assets and any unspent grant amounts.

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18. Statement of funds (continued)

Salix Loan - This represents the balance due on the Salix loan, which repayable in 6 monthly installments over 5 years.

OTHER INFORMATION

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

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18. Statement of funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Designated funds						
Curriculum Development	400,000	-	-	(400,000)	-	-
General funds						
General Funds	264,250	217,996	(180,209)	(52,496)	-	249,541
Fixed assets purchased from general funds	18,926	-	(9,451)	-	-	9,475
	<u>283,176</u>	<u>217,996</u>	<u>(189,660)</u>	<u>(52,496)</u>	<u>-</u>	<u>259,016</u>
Total Unrestricted funds	<u>683,176</u>	<u>217,996</u>	<u>(189,660)</u>	<u>(452,496)</u>	<u>-</u>	<u>259,016</u>
Restricted general funds						
General Annual Grant (GAG)	-	4,705,379	(5,074,543)	369,164	-	-
High Needs	-	45,778	(45,778)	-	-	-
Pupil Premium	23,110	194,432	(199,168)	-	-	18,374
Other restricted	500	17,574	(17,574)	-	-	500
Year 7 catch up	-	12,063	(12,063)	-	-	-
Rates	-	24,336	(24,336)	-	-	-
Restricted donations	-	12,298	(12,298)	-	-	-
Trips	5,028	30,452	(35,480)	-	-	-
Growth funding	-	147,555	(147,555)	-	-	-
Pension reserve	(2,924,000)	-	(329,000)	-	659,000	(2,594,000)
	<u>(2,895,362)</u>	<u>5,189,867</u>	<u>(5,897,795)</u>	<u>369,164</u>	<u>659,000</u>	<u>(2,575,126)</u>
Restricted fixed asset funds						

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18. Statement of funds (continued)

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Fixed assets transferred on conversion	6,881,564	-	(134,328)	-	-	6,747,236
Fixed assets purchased from GAG and other restricted funds	931,058	-	(84,271)	76,711	-	923,498
DfE/ESFA Capital grants	1,720,277	847,987	(47,233)	-	-	2,521,031
Salix Loan	(66,207)	-	-	6,621	-	(59,586)
Other capital grants	-	10,000	(200)	-	-	9,800
	<u>9,466,692</u>	<u>857,987</u>	<u>(266,032)</u>	<u>83,332</u>	<u>-</u>	<u>10,141,979</u>
Total Restricted funds	<u>6,571,330</u>	<u>6,047,854</u>	<u>(6,163,827)</u>	<u>452,496</u>	<u>659,000</u>	<u>7,566,853</u>
Total funds	<u>7,254,506</u>	<u>6,265,850</u>	<u>(6,353,487)</u>	<u>-</u>	<u>659,000</u>	<u>7,825,869</u>

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	9,941,643	9,941,643
Current assets	303,202	473,130	54,535	830,867
Creditors due within one year	-	(203,613)	(13,240)	(216,853)
Creditors due in more than one year	-	-	(33,104)	(33,104)
Provisions for liabilities and charges	-	(3,478,000)	-	(3,478,000)
Total	<u>303,202</u>	<u>(3,208,483)</u>	<u>9,949,834</u>	<u>7,044,553</u>

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19. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	9,472	-	9,492,863	9,502,335
Current assets	249,544	191,130	708,703	1,149,377
Creditors due within one year	-	(172,256)	(13,242)	(185,498)
Creditors due in more than one year	-	-	(46,345)	(46,345)
Provisions for liabilities and charges	-	(2,594,000)	-	(2,594,000)
Total	259,016	(2,575,126)	10,141,979	7,825,869

20. Reconciliation of net expenditure to net cash flow from operating activities

	2019 £	2018 £
Net expenditure for the year (as per Statement of Financial Activities)	(241,316)	(87,637)
Adjustments for:		
Depreciation	275,522	275,483
Capital grants from DfE and other capital income	(76,418)	(522,255)
Interest received	(2,521)	(854)
Defined benefit pension scheme cost less contributions payable	276,000	254,000
Defined benefit pension scheme finance cost	68,000	75,000
(Increase)/decrease in stocks	(3,728)	-
(Increase)/Decrease in debtors	195,565	(366,230)
Increase in creditors	18,114	18,822
Net cash provided by/(used in) operating activities	509,218	(353,671)

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21. Cash flows from investing activities

	2019 £	2018 £
Interest received	2,521	854
Purchase of tangible fixed assets	(714,830)	(223,808)
Capital grants from DfE/ESFA	76,418	522,255
Net cash (used in)/provided by investing activities	(635,891)	299,301

22. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	492,424	288,947
Notice deposits (less than 3 months)	25,578	355,728
Total cash and cash equivalents	518,002	644,675

23. Capital commitments

	2019 £	2018 £
Contracted for but not provided in these financial statements	-	708,703

24. Pension commitments

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

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

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

Teachers' Pension Scheme

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

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

NOTES TO THE FINANCIAL STATEMENTS
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24. Pension commitments (continued)

Valuation of the Teachers' Pension Scheme

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2016 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was prepared by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% employer administration charge)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million giving a notional past service deficit of £22,000 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return is 4.45%.

The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from 1 September 2019 (this includes the administration levy of 0.8%).

The employer's pension costs paid to TPS in the year amounted to £417,818 (2018 - £391,333).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £278,000 (2018 - £267,000), of which employer's contributions totalled £211,000 (2018 - £201,000) and employees' contributions totalled £ 67,000 (2018 - £66,000). The agreed contribution rates for future years are 0% per cent for employers and 5.5%-12.5% per cent for employees.

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

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24. Pension commitments (continued)

Principal actuarial assumptions

	2019	2018
	%	%
Rate of increase in salaries	3.70	3.80
Rate of increase for pensions in payment/inflation	2.20	2.30
Discount rate for scheme liabilities	1.85	2.65
Inflation assumption (CPI)	2.2	2.30

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

	2019	2018
	Years	Years
<i>Retiring today</i>		
Males	22.5	23.5
Females	24.4	25.6
<i>Retiring in 20 years</i>		
Males	24.2	25.8
Females	26.2	28

Sensitivity analysis

	2019	2018
	£000	£000
Discount rate +0.1%	144,000	90,000
Discount rate -0.1%	(147,000)	(119,000)
Mortality assumption - 1 year increase	256,000	107,000
Mortality assumption - 1 year decrease	(247,000)	(105,000)
CPI rate +0.1%	132,000	187,000
CPI rate -0.1%	(129,000)	(181,000)

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24. Pension commitments (continued)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	518,000	1,739,000
Gilts	115,000	92,000
Infrastructure	122,000	103,000
Property	281,000	260,000
Cash and other liquid assets	43,000	44,000
Target return portfolio	451,000	411,000
Other bonds	61,000	56,000
Overseas Equities	1,410,000	-
Private Equity	59,000	-
Alternative assets	169,000	147,000
Total market value of assets	3,229,000	2,852,000

The actual return on scheme assets was £133000 (2018 - £164000).

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

	2019 £	2018 £
Current Service cost	(59,000)	-
Interest income	-	66,000
Interest cost	(68,000)	(141,000)
Current Service cost	(428,000)	(455,000)
Total amount recognised in the Statement of Financial Activities	(555,000)	(530,000)

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

	2019 £	2018 £
At 1 September	5,475,000	5,426,000
Current Service cost	145,000	141,000
Employee contributions	67,000	66,000
Actuarial losses/(gains)	594,000	(563,000)
Benefits paid	(61,000)	(50,000)
Past service costs	59,000	-
Current Service cost	428,000	455,000
At 31 August	6,707,000	5,475,000

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24. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	2,881,000	2,502,000
Interest income	79,000	66,000
Actuarial gains	54,000	96,000
Employer contributions	211,000	201,000
Employee contributions	67,000	66,000
Benefits paid	(61,000)	(50,000)
Admin expenses	(2,000)	-
At 31 August	3,229,000	2,881,000

25. Operating lease commitments

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

	2019 £	2018 £
Within 1 year	17,243	18,231
Between 1 and 5 years	23,383	40,627
	40,626	58,858

26. Members' liability

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

27. General Information

Newton Abbot Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Newton Abbot Academy Trust, Old Exeter Road, Newton Abbot, TQ12 2NF.

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28. Related party transactions

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

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 11.

29. Post balance sheet events

On 1 December 2019 Dawlish College and Starcross Primary School converted to academies and joined the trust, forming a multi academy trust.

30. Agency arrangements

The Academy Trust distributes 16-19 bursary funds to students as an agent for ESFA. In the accounting period ended 31 August 2019 the Academy Trust received £31,181 and disbursed £35,474 from the fund. An amount of £80,062 is included in other creditors relating to undistributed funds that is repayable to ESFA.

The Academy Trust operates school trips as an agent. In the accounting period ended 31 August 2019 the Academy Trust received £160,370 and spent £138,528 in relation to these trips. An amount of £43,092 was held at the year end in relation to agency trips due to take place in 2019/20.