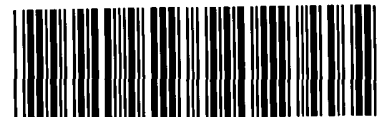


LAUNCESTON COLLEGE
(A company limited by guarantee)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017



FRIDAY



A6LCX2CI

A12

15/12/2017

#173

COMPANIES HOUSE

LAUNCESTON COLLEGE
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details	1
Trustees' report	2 - 14
Governance statement	15 - 19
Statement on regularity, propriety and compliance	20
Statement of Trustees' responsibilities	21
Independent auditors' report on the financial statements	22 - 24
Independent reporting accountant's assurance report on regularity	25 - 26
Statement of financial activities incorporating income and expenditure account	27
Balance sheet	28
Statement of cash flows	29
Notes to the financial statements	30 - 54

LAUNCESTON COLLEGE
(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017

Members	P Crispin A Counsell E Marshall
Trustees	J Jackson, Executive Principal E Marshall C Webb I Graham (resigned 9 January 2017) T Broad D Humphries J White (appointed 13 December 2016) A Shopland (appointed 1 May 2017)
Company registered number	08150106
Company name	Launceston College
Principal and registered office	Launceston College, Hurdon Road, Launceston, Cornwall, PL15 9JR
Accounting officer	J Jackson
Senior management team	J Jackson, Executive Principal B Maywood, Principal - Launceston L Kane, Principal - Bideford C Penfold, Quality Assurance T Broad, Finance Director

LAUNCESTON COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2016 to 31 August 2017. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

Structure, governance and management

a. CONSTITUTION

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

The charitable company's Memorandum of Association is the primary governing document of the MAT.

The Trustees of Launceston College MAT are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Launceston College Multi Academy Trust.

Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

b. MEMBERS' LIABILITY

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

c. TRUSTEES' INDEMNITIES

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

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The Multi Academy Trust's Board of Trustees comprises of the Chief Executive Officer (CEO), a minimum of two parent trustees and up to six other trustees.

The chair of each local governing body is also a trustee of the MAT board, along with the Finance Director. The other five trustees are appointed via an election process. The total number of Trustees, including the CEO, who are employees of the MAT will not exceed one third of the total number of Trustees.

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

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

LAUNCESTON COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The MAT has a Governors' Handbook, which is issued to all Trustees and local governors.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

There is a Trustees' development evening when the need arises (usually annually), which includes training sessions to keep the Trustees updated on relevant developments impacting on their roles and responsibilities.

f. ORGANISATIONAL STRUCTURE

The Board of Trustees meets at least three times per year and usually once each term. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

There is currently one permanent committee reporting to the board - the Finance and Assets Committee. This committee meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee and evaluates and reviews policy and performance in relation to the MAT's assets.

Each individual academy also has a local governing body who meet once a term to monitor, evaluate and review policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues in their academy.

The responsibilities delegated by the MAT board are defined in the Scheme of Delegation of Authority and the Scheme of Delegation of Financial Authority.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the academies by the use of budgets and other data, and making major decisions about the direction of the academies, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the academies to the Executive Principal, Quality Assurance Lead, Finance Director and Academy Leadership Teams (ALT). ALT comprises the Principal and Assistant Principals. The ALT implement the policies laid down by the Trustees and report back to them on performance.

The Executive Principal is the Accounting Officer.

LAUNCESTON COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

g. PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The Launceston College MAT follows School Teachers' Pay and Conditions to determine the pay for all teaching members of staff. The pay of non-teaching staff is determined using the pay grades set out in the MAT pay policy and reviewed using the pay and grading system set by Trustees. The Executive Principal has the delegated authority for setting pay within the MAT and the MAT Board sets the pay for the Executive Principal.

h. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

There are no related parties which either control or significantly influence the decisions and operations of Launceston College Multi Academy Trust. There are no sponsors or formal Parent Teacher Associations associated with the MAT.

Objectives and Activities

a. OBJECTS AND AIMS

The principal object and activity of the Launceston College Multi Academy Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing the Multi Academy Trust, offering a broad range of curriculum for students of different abilities.

The Multi Academy Trust's aim is for young people to be happy, successful and responsible by learning the knowledge skills and values that are important for society.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

Launceston College

Strategic Aim 1: Ensure outstanding and effective marking and feedback impacts on student outcome.

Key priorities

- College principles/policy (published June 2016) for marking and feedback applied effectively
- Student voice used regularly and effectively to impact/monitor
- Quality and regularity of homework and feedback
- Standards of student work show attainment and progress
- Tasks and deadlines clear and followed up if not met
- Meaningful praise used to motivate; effective action taken to address shortfalls
- All students are clear about next steps, as well as potential and current attainment

Strategic Aim 2: Ensure an outstanding learning environment impacts on students outcomes

Key priorities

- A thinking school; lessons encourage and evidence progress to higher level thinking processes
- Outstanding lesson resources are convincing and skilfully utilised
- Classrooms and corridors feel outstanding and up to date
- A positive climate where students are clear that expectations are for them to achieve or go beyond their target
- Consistent and effective class routines and behaviours allow outstanding learning e.g. prompt lesson (learning).

LAUNCESTON COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Strategic Aim 3 and 4: Raise progress of all groups of students at Key Stage 4 (aim 3) and Key Stage 5 (aim 4), including disadvantaged students.

Key priorities

- Teaching and planning effectively utilising starting points and assessments to plan for continued progress
- Lessons are effectively differentiated to impact on outcomes
- Challenging homework is set to all groups of students
- Opportunities are proactively targeted towards different groups of students to facilitate their development e.g. subject ambassadors, leadership opportunities, student council, interview panels, open evening ambassadors etc
- Class groupings and organization maximize progress for different groups of learners
- Good practice within the faculty and across College is understood, shared and acted upon (e.g. where success for pupil premium students is very high in a specific class/subject)
- Students are encouraged to set and achieve aspirational target grades
- Curriculum provision and design supports all groups of students, including disadvantaged
- Targeted provision and opportunities are planned – e.g. visits and speakers to inspire/motivate; small group consolidation/revision sessions
- Mentoring provision supports individuals within groups
- Impactful reporting and monitoring raises progress.

Bideford College

1. To secure outstanding leadership and management consistently across the college.
 - Develop the ability of the Extended Leadership Team to lead change.
 - Improve Embed systems management across the college.
 - Ensure Behaviour Management System is being used consistently across the College.
 - Introduce an effective Communications Policy.
 - Improve impact of Student Voice across the College. Student voice is an integral part of the decision making process across the College.
 - Develop an effective Vocational Curriculum, which is fit for purpose.
 - Establish an effective Reward System.
 - Ensure high levels of accuracy in the moderation and marking of all student work across the College.
2. To improve the quality of teaching and learning
 - Ensure consistently high levels of challenge and engagement for all in every lesson, including the 6th form.
 - Ensure that all students benefit from 'deep' learning in all subjects.
 - Develop high quality KS3 Schemes of Learning which build on the learning from Primary School and on prior learning in KS3.
 - To deepen and extend learning via high quality Homework.
 - Ensure that marking and written feedback provides precise guidance to enable students to know exactly what they need to do to improve their work.
 - Improve pedagogy consistent with the MAT's Teaching and Learning policy and using the new CPD strands.
 - Introduce the Outstanding Teaching Programme.

LAUNCESTON COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

3. To increase the effective use of assessment
 - Ensure that assessment is routinely and consistently used diagnostically to inform planning.
 - Develop a robust system of assessment and reporting to replace national curriculum levels at KS3 and GCSE grades from letters to numbers- linked to flight paths.
 - Establish high levels of accuracy of predictions and moderation of student progress.
4. To improve learning practices
 - Create an ethos of ownership of their own learning in which students respond well to challenge and are resilient.
 - Reinforce a culture in which doing your best and high achievement is the norm.
 - Reinforce a culture where the students are supportive of one another and proud of their college.
 - Establish a culture of "excellence" where students draft and re-draft work to achieve the very best.
5. To improve attendance
 - Ensure that the whole college attendance rate is above 96%.
6. To equip students well for life
 - Develop a comprehensive CEIAG programme for all ages, including the development of employability skills.
7. To raise achievement and improve rates of progress
 - Improve the accuracy of teachers' professional judgements when predicting grades
 - Improve progress in EBacc subjects
 - Set aspirational targets across the College.
 - To address any gender gaps across the college; particularly the progress made by boys in English and progress made by girls in maths.
 - To increase the progress made by students in the low prior attainment band across the college, particularly subjects in the open P8 slots.
 - To close the 'gap' between the level of progress of students in receipt of pupil premium and their peers particularly in the open P8 slots and in languages.
 - To increase the progress of SEND students, particularly in the open P8 slots.
8. To improve the performance of all groups of students, ensuring all achieve at least their target grades
 - Ensure all students with a high KS2 score and high average GCSE scores make more than expected progress from their starting points- a positive Progress 8 score.
 - Increase the proportion of students gaining 8-9 grades at GCSE.
9. To increase student recruitment and retention
 - Increase student recruitment into Year 6 and 12.
 - Widely promote and share the success of the College via all forms of media.

c. PUBLIC BENEFIT

The Multi Academy Trust always strives to provide outstanding education and improve the levels of performance of its students at all levels. The Multi Academy Trust continues to aim to attract high quality teachers and support staff in order to deliver its objectives and advance for the public benefit education in our academies.

LAUNCESTON COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Strategic report

Achievements and performance

a. REVIEW OF ACTIVITIES

Launceston College

Ofsted in 2016 agreed that Launceston College continues to be a good school. Behaviour is outstanding. The sixth form is good and leadership and management of the sixth form are strong. The outstanding curriculum, both in the sixth form and the main school, enables students to make good progress. Students achieve well and achievement has been enhanced by improvements to the curriculum. The provision of vocational options, has significantly boosted the employability of our students.

GCSE results in 2017 with an average ability cohort.

	2017	2016	2015	2014
Cohort Size	223	184	221	194
	Percentage of cohort achieving			
4+(A*-C) in English and maths	60%	67%	67%	57%
5+ in English and maths	28%			
4+ in the English Baccalaureate	33%	34%	40%	33%
5+ in the English Baccalaureate	29%			
5A*-C	66%	72%	68%	66%
Attainment				
Attainment 8	46.26	51.5		
English	10.17	11.3		
Maths	8.72	9.9		
Ebacc	13.52	15.3		
Other	13.85	15.1		
Progress				
Progress 8	-0.04	0.19		
English	0.09	0.41		
Maths	-0.17	0.05		
Ebacc	0.29	0.55		
Other	-0.36	-0.23		

LAUNCESTON COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Sixth form results in 2017 were an improvement on 2016:

Cohort information for students at the end of 16-18 studies	2017	2016
Number of students at the end of 16-18 studies	128	139
A level cohort and results		
Number of students entered for A level qualifications (for average grade measure)	95	98
Average point score per A level entry expressed as a grade	C+	C
Average point score per A level entry	33.2	29.7
A level – Level 3 Value Added		
A level value added score		0
Upper confidence limit		0.14
Lower confidence limit		-0.14
Number of A level entries (for value added measure)		308
Academic cohort and results		
Number of students entered for academic qualifications (for average grade measure)	98	98
Average point score per academic entry expressed as an A level grade	C+	C
Average point score per academic entry	33.5	30.0
Academic – Level 3 Value Added		
Academic value added score		0
Upper confidence limit		0.14
Lower confidence limit		-0.14
Number of academic entries (for value added measure)		333
Applied general cohort and results		
Number of students entered for applied general qualifications (for average grade measure)	16	53
Average point score per applied general entry expressed as a vocational grade	Dist+	Dist
Average point score per applied general entry (new point system, see guide)	41.1	34.9
Applied general – Level 3 Value Added		
Applied general value added score		-0.22
Upper confidence limit		0.11
Lower confidence limit		-0.54
Number of applied general entries (for value added measure)		52
Tech level cohort and results		
Number of students entered for tech level qualifications (for average grade measure)	2	4
Average point score per tech level entry expressed as a vocational grade	Dist	Merit
Average point score per tech level entry	35.0	25.0
English and maths progress measure		
Number of students included in English progress measure (without at least an English GCSE grade C by end of KS4)	16	20
Average progress made in English	0.88	0.70
Number of students included in maths progress measure (without at least a maths grade C by end of KS4)	21	22
Average progress made in maths	0.43	0.50
A level Attainment		
Number of students included in AAB measure	69	53
% of students who achieve three GCE A levels at grades AAB or higher, with two in facilitating subjects	15.9	11%
Number of students included in best three A levels measure	70	62
Average points per entry in best three A levels expressed as a grade	B-	C+
Average point score per entry in best three A levels	35.7	32.0

LAUNCESTON COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Bideford College

Bideford College was taken into special measures in January 2015 and joined the Launceston College MAT in March 2016.

GCSE results in 2017 with a below average ability cohort were an improvement on 2016.

	2017	2016
Cohort Size	231	245
Percentage of cohort achieving		
4+(A*-C) in English and maths	61%	50%
5+ in English and maths	33%	
4+ in the English Baccalaureate	26%	19%
5+ in the English Baccalaureate	20%	
5A*-C	65%	56%
Attainment		
Attainment 8	43.17	44.50
English	9.98	9.50
Maths	8.17	8.80
Ebacc	12.29	12.80
Other	12.72	13.50
Progress		
Progress 8	-0.25	-0.44
English	0.09	-0.48
Maths	-0.31	-0.39
Ebacc	-0.01	-0.16
Other	-0.67	-0.74

LAUNCESTON COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Sixth form results in 2017 were an improvement on 2016:

Cohort information for students at the end of 16-18 studies	2017	2016
Number of students at the end of 16-18 studies	85	130
A level cohort and results		
Number of students entered for A level qualifications (for average grade measure)	80	119
Average point score per A level entry expressed as a grade	C+	C-
Average point score per A level entry	32.03	26.4
A level – Level 3 Value Added		
A level value added score		
Upper confidence limit		
Lower confidence limit		
Number of A level entries (for value added measure)		
Academic cohort and results		
Number of students entered for academic qualifications (for average grade measure)	80	119
Average point score per academic entry expressed as an A level grade	C+	C-
Average point score per academic entry	31.9	26.4
Academic – Level 3 Value Added		
Academic value added score		
Upper confidence limit		
Lower confidence limit		
Number of academic entries (for value added measure)		
Applied general cohort and results		
Number of students entered for applied general qualifications (for average grade measure)	25	64
Average point score per applied general entry expressed as a vocational grade	Dist	Dist
Average point score per applied general entry (new point system, see guide)	35	34.43
Applied general – Level 3 Value Added		
Applied general value added score		
Upper confidence limit		
Lower confidence limit		
Number of applied general entries (for value added measure)		
Tech level cohort and results		
Number of students entered for tech level qualifications (for average grade measure)	11	25
Average point score per tech level entry expressed as a vocational grade	Merit+	Dist-
Average point score per tech level entry	29.6	32.4
English and maths progress measure		
Number of students included in English progress measure (without at least an English GCSE grade C by end of KS4)	2	20
Average progress made in English	1.00	0.45
Number of students included in maths progress measure (without at least a maths grade C by end of KS4)	2	11
Average progress made in maths	0.00	0.55
A level Attainment		
Number of students included in AAB measure	39	53
% of students who achieve three GCE A levels at grades AAB or higher, with two in facilitating subjects	10.3	11%
Number of students included in best three A levels measure	42	53
Average points per entry in best three A levels expressed as a grade	B-	C
Average point score per entry in best three A levels	36.1	31.6

LAUNCESTON COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

b. KEY PERFORMANCE INDICATORS

The Finance and Assets Committee meet regularly to monitor current performance and expenditure against the current budgets. Temporary surplus funds are invested in the short term in a low risk instant access account to maximise interest received. The MAT works closely with its accountants to ensure systems are robust and targets are met.

The key financial performance indicator for the MAT is the adherence to the financial budgets set at the beginning of the financial year and completion of the budget period in surplus, both of which were met.

c. GOING CONCERN

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

Financial review

Most of the MAT's income is obtained from the Department for Education (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 2017 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The MAT 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 economic life of the assets concerned, as defined in the MAT's accounting policies.

During the 12 months to 31 August 2017, the MAT received total income of £14,840,768 and incurred total expenditure of £13,920,742. As at 31 August the funds brought forward were £1,034,976 unrestricted funds, and £825,900 of unspent GAG. The funds carried forward as unspent were £1,705,487 of unrestricted funds, £1,083,112 of GAG and £18,243 of start up grant. Therefore, there was a surplus in the year of £945,966.

The MAT has a deficit in the Local Government Pension Scheme in respect of its non teaching staff. The deficit is incorporated within the statement of Financial Activity with details in Note 22.

Key financial policies adopted in the year include the Financial Procedures and Scheme of Delegation, which sets out the framework for financial management, including financial responsibilities of the Board, Executive Principle, Senior Leadership Team and other staff, as well as delegated authority for spending. Other policies reviewed and updated where necessary included the reserves policy.

a. RESERVES POLICY

School reserves are reviewed annually – this normally being at the time of budget setting.

The policy of the MAT is to carry forward a prudent level of resources designated to meet the long term cyclical needs of renewal and any other unforeseen contingencies plus a contribution towards future capital projects.

Reserves are built up through close monitoring of the costs and income of the MAT and attempting to make cost savings on the budget throughout the financial year.

LAUNCESTON COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

The Executive Principal or Finance Director/Business Manager can authorise movement to or from one or more specific reserves subject to the approval of the Finance and Assets Committee and in line with the MAT Scheme of Delegation.

The MAT considers at least £1,000,000 of reserves to be an appropriate level, with no fixed maximum because this will be dependent on the upcoming needs of each Academy Trust.

The level of reserves at the year ended 31st August 2017 is in excess of £1,000,000 due to funds being carried forward for expenditure that the MAT has already earmarked to spend in the next academic year and to go towards assisting with the decrease in funding and increase in expenditure expected over the next few years.

The level of free reserves held by the MAT at the year end 31st August 2017 was £1,705,487. The level of restricted reserves held by the MAT at the year end 31st August 2017 was £1,101,355 excluding Pension and Fixed Asset Funds.

The defined benefit pension scheme reserve has a negative balance for both Launceston and Bideford College. The effect of the deficit position of the pension scheme is that each 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.

The reserves policy will be reviewed annually.

b. INVESTMENTS POLICY

All arrangements concerning the investment of funds are to be made upon consultation of the Finance and Assets Committee.

Trustees are committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk.

The management of cash flow should ensure that there are always sufficient funds in the main bank accounts to cover operational cost. Banks must be selected from the FSI Approval List included in the Financial Services Compensation Scheme (FSCS).

Trustees authorise the movement of any funds not required for operating expenses into an instant access savings account by the Executive Principal or Finance Director/Business Manager in order to maximise the interest received.

Where significant funds have been accumulated that are not required in the short term for operational expenses, or as part of a planned surplus for a specific project, Trustees may consider the investment of these funds in order to generate a longer term income or capital fund. All arrangements concerning the investment of funds outside of the instant access savings account shall be made upon consultation of the Finance and Assets Committee and should be approved by the ESFA.

The following criteria are used in selecting an appropriate investment.

- What level of risk does the investment represent? The Trustees' approach to risk is cautious typical investments will include corporate bonds and fixed interest funds.
- The historical performance of the investment or fund.

LAUNCESTON COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

c. PRINCIPAL RISKS AND UNCERTAINTIES

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

Financial - the MAT has considerable reliance on continued Government funding through the ESFA. In the last year 93% of the MAT's incoming resources was 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. Recruitment of students to the MAT academies will also be a key focus.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the MAT'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.

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 Multi Academy Trust is reliant on 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 MAT has appointed an auditor to carry out internal checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

d. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

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

The Trustees have assessed the major risks to which the MAT is exposed via a Risk Register, 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.

The Trustees examine the financial health formally at least once per term, reviewing performance against budgets and overall expenditure by means of regular update reports at full Trustees' and Finance Committee meetings. At the year end, the MAT had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 22 to the financial statements, represents a significant potential liability. However as the Trustees consider that the MAT is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

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

LAUNCESTON COLLEGE
(A company limited by guarantee)

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017

Plans for future periods

a. FUTURE DEVELOPMENTS

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

On the 1st September 2017, Egloskerry Primary School converted to Academy status and joined the Multi Academy Trust. The Multi Academy Trust has also been approved to build a new primary free school in Launceston.

The Multi Academy Trust will continue to work with partner schools to improve the educational opportunities for students in the wider community.

FUNDS HELD AS CUSTODIAN

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

DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all 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 charitable company's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 13 December 2017 and signed on its behalf by:



E Marshall
Chair of Trustees

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the Executive 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 Launceston College and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 3 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
J Jackson, Executive Principal	3	3
E Marshall	2	3
C Webb	2	3
I Graham	0	0
T Broad	3	3
D Humphries	2	3
J White	3	3
A Shopland	1	1

During the year the composition of the Board of Trustees remained consistent and the Chair was reappointed for another term. One Trustee left the board during this financial year and two were appointed; one to bring financial expertise and one Member who transferred to the Board to bring HR expertise as well as extensive experience of working with Launceston College as a local governor.

Governance reviews

In March 2016 the Trustees held a strategic planning meeting which covered the MAT governance structure, terms of reference and the vision, growth and future development of the Trust.

At each meeting throughout the year Trustees have reviewed the data presented to them and evaluated how it can be adjusted and improved to provide the Board with the key information that it needs. This method of continuous review and improvement has enabled the Board to develop reports that work for them and enable their work to be effective and impactful.

The trustees have a development and training evening scheduled for November 2017.

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The Finance and Assets Committee is a sub-committee of the main board of trustees.

Membership

1 x Chair of MAT Board
1 x Chief Executive Officer/Executive Principal
1 x Finance Director
3 x Trustees
1 x Bideford appointed governor
1 x Launceston parent governor

Members who are not MAT Board Trustees can attend meetings and will have voting rights as long as the majority of Committee members are Trustees.

Quorum

The quorum shall be three members.

The majority of voting Committee members at each meeting must be Trustees. Staff members cannot vote when undertaking Audit Committee matters.

Chair

The Committee shall appoint a Chair and Vice Chair in the autumn term of each year.

Meetings

The Committee shall meet at least once per term or otherwise as required.

Terms of reference

The Committee will be responsible for the following:

- Providing support for MAT staff and the MAT board on all matters relating to academy premises, grounds, security and health and safety.
- Undertaking an annual Health and Safety review of each academy with the support of nominated representatives from the Local Governing Body of that school to ensure that the academy complies with health and safety regulations.
- Work with academy staff to inspect the premises and grounds and prepare a statement of priorities for maintenance, redecoration and improvements.
- To approve tenders and arrangements for maintenance, redecoration and improvements within the constraints of the budget allocated for this purpose.
- To oversee the preparation of tenders and implementation of buildings and grounds contracts.
- To provide guidance and assistance in all matters relating to budgeting and finance.
- To prepare and review financial policy statements including consideration of long term planning and resourcing.
- To consider the annual management plan priorities and present an annual budget to the MAT Board for approval.
- To monitor the income and expenditure of all public funds and report the financial situation to the MAT board each term.
- To recommend the level of delegation for the day to day financial management of each academy.
- To vire funds, if necessary, within the limits set by the MAT board.

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

- To ensure the audit of non-public funds for presentation to the MAT board.
- To receive and where appropriate respond to periodic audit reports of public funds.
- To review and recommend for adoption the procedures for dealing with discipline and grievance and ensure that staff are informed of them.
- To draft and review, in consultation with staff, criteria for redundancy for the approval of the MAT board.
- To draft criteria for the approval of the MAT board about the use of discretionary elements of pay provisions and make recommendations about implementing them.
- To establish the annual and longer term salary budgets and other costs relating to personnel.
- To review the staffing structure whenever a vacancy occurs within an academy and at least annually in relation to each academy's management plan.

The Finance and Assets Committee will also act as the Audit Committee and will undertake the following duties:

- Achieving internal scrutiny which delivers objective and independent assurance. This means that staff employed by the trust should not participate as members when audit matters are discussed; they may remain in attendance to provide information and participate in discussions.
- The Committee's work must focus on providing assurances to the board of the Trustees that risks are being adequately identified and managed by:
 - o Reviewing the risks to internal financial control at the trust
 - o Agreeing a programme of work to address, and provide assurance on, those risks
- The outcome of the work should inform the governance statements that accompany the trust's annual accounts and, so far as is possible, provide assurance to external auditors.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
J Jackson	6	6
E Marshall	5	6
C Webb	5	6
I Graham	1	2
T Broad	6	6
D Humphries	5	6
D White	3	4
A Shopland	2	3

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Executive Principal has responsibility for ensuring that the MAT 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 MAT'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 MAT has delivered improved value for money during the year by:

1. Procuring property services for the MAT and over 20 primary schools as a group to ensure best value is achieved
2. Renegotiating stationery contracts and procuring in bulk
3. Reviewing ICT contracts and removing those that were not essential
4. Reviewing all SLAs to ensure best value was being achieved

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of MAT 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 Launceston College for the year 1 September 2016 to 31 August 2017 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 MAT 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 MAT's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint Griffin Chartered Accountants as internal auditor. During the current period the internal audit function was undertaken by Bishop Fleming LLP.

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

- Purchase and cash receipts
- Payroll
- Income and cash receipts
- Fixed assets - acquisition and disposal
- Financial budgeting and monitoring
- Regularity
- Governance
- Compliance
- Strategic & Operational Review

On a semi-annual basis, the internal auditor reports to the board of trustees through the Finance and Assets Committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The internal auditor delivered their schedule of work as intended and a plan is in place to address weaknesses and ensure continuous improvement.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Executive 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 internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the MAT who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Assets Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 13 December 2017 and signed on their behalf, by:

E Marshall
Chair of Trustees



J Jackson
Accounting Officer



LAUNCESTON COLLEGE
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Launceston College I have considered my responsibility to notify the Multi Academy Trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the Multi 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 2016.

I confirm that I and the Multi Academy Trust board of trustees are able to identify any material irregular or improper use of funds by the Multi Academy Trust, or material non-compliance with the terms and conditions of funding under the Multi Academy Trust's funding agreement and the Academies Financial Handbook 2016.

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.


J Jackson
Accounting Officer

Date: 13 December 2017

LAUNCESTON COLLEGE
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017

The Trustees (who act as governors of Launceston College and 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 Annual Accounts Direction issued by the Education and 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 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 13 December 2017 and signed on its behalf by:



E Marshall
Chair of Trustees

LAUNCESTON COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LAUNCESTON COLLEGE**

OPINION

We have audited the financial statements of Launceston College for the year ended 31 August 2017 which comprise the Statement of financial activities incorporating income and expenditure account, 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 FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

This report is made solely to the Multi 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 Multi Academy Trust's members those matters we are required to state to them in an Auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Multi Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the state of the Multi Academy Trust's affairs as at 31 August 2017 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 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Multi 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 Multi Academy Trust 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.

LAUNCESTON COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LAUNCESTON COLLEGE**

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 Auditor's report thereon. Our opinion on the financial statements does not cover the 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 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 Multi 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' remunerations specified by law not made; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

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

LAUNCESTON COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LAUNCESTON COLLEGE**

In preparing the financial statements, the Trustees are responsible for assessing the Multi 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 Multi Academy Trust or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S 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 Auditor's 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. The description forms part of our Auditor's report.



Misty Nickells FCA (Senior statutory auditor)

for and on behalf of

Griffin

Chartered Accountants

165 High Street

Honiton

Devon

EX14 1LQ

Date: 13 December 2017

LAUNCESTON COLLEGE
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
LAUNCESTON COLLEGE AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 4 July 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Launceston College during the year 1 September 2016 to 31 August 2017 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 Launceston College and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Launceston College and the 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 Launceston College and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF LAUNCESTON COLLEGE'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Launceston College's funding agreement with the Secretary of State for Education dated 19 December 2012, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. 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 2016 to 31 August 2017 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 2016 to 2017 issued by the 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 Multi Academy Trust's income and expenditure.

LAUNCESTON COLLEGE
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
LAUNCESTON COLLEGE AND THE EDUCATION AND SKILLS FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Misty Nickells FCA

Griffin

Chartered Accountants

165 High Street
Honiton
Devon
EX14 1LQ

Date: 13 December 2017

LAUNCESTON COLLEGE
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

		Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
	Note					
INCOME FROM:						
Donations & capital grants:						
Transfer from Local Authority on conversion	2	-	-	28,683	28,683	36,376,139
Other donations and capital grants	2	22,787	-	190,602	213,389	1,037,297
Charitable activities	3	606,716	13,867,944	-	14,474,660	11,175,491
Other trading activities	4	340,194	-	-	340,194	245,758
Investments	5	3,127	-	-	3,127	5,937
TOTAL INCOME		972,824	13,867,944	219,285	15,060,053	48,840,622
EXPENDITURE ON:						
Raising funds		204,890	-	-	204,890	20,103
Charitable activities		97,423	14,148,429	721,822	14,967,674	12,061,542
TOTAL EXPENDITURE	7	302,313	14,148,429	721,822	15,172,564	12,081,645
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		670,511	(280,485)	(502,537)	(112,511)	36,758,977
Transfers between Funds	17	-	25,940	(25,940)	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		670,511	(254,545)	(528,477)	(112,511)	36,758,977
Actuarial gains/(losses) on defined benefit pension schemes	22	-	2,200,000	-	2,200,000	(3,125,000)
NET MOVEMENT IN FUNDS		670,511	1,945,455	(528,477)	2,087,489	33,633,977
RECONCILIATION OF FUNDS:						
Total funds brought forward		1,034,976	(5,842,100)	54,040,256	49,233,132	15,599,155
TOTAL FUNDS CARRIED FORWARD		1,705,487	(3,896,645)	53,511,779	51,320,621	49,233,132

LAUNCESTON COLLEGE
(A company limited by guarantee)
REGISTERED NUMBER: 08150106

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	£	2016 £
FIXED ASSETS					
Tangible assets	14		53,094,817		53,065,832
CURRENT ASSETS					
Debtors	15	634,153		665,215	
Cash at bank and in hand		3,227,132		2,721,863	
		<u>3,861,285</u>		<u>3,387,078</u>	
CREDITORS: amounts falling due within one year	16	(637,481)		(551,778)	
NET CURRENT ASSETS			<u>3,223,804</u>		<u>2,835,300</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>56,318,621</u>		<u>55,901,132</u>
Defined benefit pension scheme liability	22	(4,998,000)		(6,668,000)	
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>51,320,621</u></u>		<u><u>49,233,132</u></u>
FUNDS OF THE MULTI ACADEMY TRUST					
Restricted income funds:					
Restricted income funds	17	1,101,355		825,900	
Restricted fixed asset funds	17	53,511,779		54,040,256	
Restricted income funds excluding pension liability		54,613,134		54,866,156	
Pension reserve		<u>(4,998,000)</u>		<u>(6,668,000)</u>	
Total restricted income funds			<u>49,615,134</u>		<u>48,198,156</u>
Unrestricted income funds	17		<u>1,705,487</u>		<u>1,034,976</u>
TOTAL FUNDS			<u><u>51,320,621</u></u>		<u><u>49,233,132</u></u>

The financial statements on pages 27 to 54 were approved by the Trustees, and authorised for issue, on 13 December 2017 and are signed on their behalf, by:



E Marshall
Chair of Trustees

LAUNCESTON COLLEGE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	19	689,498	166,649
Cash flows from investing activities:			
Interest		3,127	5,937
Purchase of tangible fixed assets		(355,318)	(62,071)
Capital grants from DfE/ESFA		167,962	983,626
Net cash (used in)/provided by investing activities		(184,229)	927,492
Cash transferred		-	84,139
Net cash provided by financing activities		-	84,139
Change in cash and cash equivalents in the year		505,269	1,178,280
Cash and cash equivalents brought forward		2,721,863	1,543,583
Cash and cash equivalents carried forward	20	3,227,132	2,721,863

LAUNCESTON COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the Multi Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Launceston College constitutes a public benefit entity as defined by FRS 102.

1.2 Fund accounting

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

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

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

LAUNCESTON COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.3 Income

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

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

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

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

Sponsorship income provided to the Multi Academy Trust which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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

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

LAUNCESTON COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. 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 Multi 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 Multi Academy Trust's educational operations, including support costs and those costs relating to the governance of the Multi Academy Trust appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 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 Multi 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 Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Multi 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.

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised 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 incorporating income and expenditure account 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 incorporating income and expenditure account. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of these assets, less their estimated residual value, over their expected useful lives on the following bases:

LAUNCESTON COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (CONTINUED)

Freehold property	- 2 - 10% straight line
Motor vehicles	- 25% straight line
Fixtures and fittings	- 20% straight line
Computer equipment	- 33% straight line

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

1.7 Operating leases

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

1.8 Taxation

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

1.9 Debtors

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

1.10 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.

1.11 Liabilities and provisions

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Multi Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

LAUNCESTON COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Multi Academy Trust's wholly owned subsidiary are held at face value less any impairment. 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 costs as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the Multi Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.13 Pensions

Retirement benefits to employees of the Multi Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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 Multi Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the Multi Academy Trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit 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 incorporating income and expenditure account 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.

LAUNCESTON COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (CONTINUED)

1.14 Agency arrangements

The Multi Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the 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 the period end are disclosed in Note 30.

1.15 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Multi Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Multi Academy Trust to determine, based on an evaluation of 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.

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Transfer from Local Authority on conversion	-	-	28,683	28,683	36,376,139
Donations	22,787	-	-	22,787	53,671
Capital Grants	-	-	190,602	190,602	983,626
Subtotal	22,787	-	190,602	213,389	1,037,297
	22,787	-	219,285	242,072	37,413,436
Total 2016	137,810	(1,859,000)	39,134,626	37,413,436	

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

3. FUNDING FOR MULTI ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant	-	12,464,035	12,464,035	9,282,573
Start Up Grants	-	25,000	25,000	327,241
Other DfE/ ESFA Grants	-	81,720	81,720	156,854
Pupil Premium	-	806,018	806,018	638,547
	-	13,376,773	13,376,773	10,405,215
Other government grants				
Special Educational Needs	-	391,022	391,022	242,746
Other government grants	-	53,897	53,897	22,941
	-	444,919	444,919	265,687
Other funding				
Other income from the Multi Academy Trust's educational operations	606,716	46,252	652,968	504,589
	606,716	46,252	652,968	504,589
	606,716	13,867,944	14,474,660	11,175,491
Total 2016	475,542	10,699,949	11,175,491	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Hire of facilities	172,462	-	172,462	84,370
Other	167,732	-	167,732	161,388
	340,194	-	340,194	245,758
Total 2016	245,758	-	245,758	

LAUNCESTON COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	<i>Total funds 2016 £</i>
Investment income	3,127	-	3,127	<i>5,937</i>
	<hr/>	<hr/>	<hr/>	<hr/>
<i>Total 2016</i>	<i>5,937</i>	<i>-</i>	<i>5,937</i>	
	<hr/>	<hr/>	<hr/>	

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

6. CHARITABLE ACTIVITIES

	Total funds 2017 £	<i>Total funds 2016 £</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	7,623,793	5,972,068
National insurance	750,820	496,849
Pension cost	1,315,324	961,435
Depreciation	598,983	504,558
Pension income	50,000	56,000
Educational Supplies	230,747	453,405
Examination fees	240,736	226,015
Other costs	46,395	1,825
Supply teachers	1,337	7,219
Technology costs	115,200	82,932
	<u>10,973,335</u>	<u>8,762,306</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	1,537,603	1,344,583
National insurance	92,199	80,647
Pension cost	581,511	271,349
Depreciation	122,839	35,651
Pension income	92,000	37,000
Staff development	51,424	21,848
Recruitment and other staff costs	7,834	9,130
Maintenance of premises and equipment	392,461	636,492
Cleaning	34,494	22,058
Rent and rates	225,732	207,388
Heat and light	176,468	154,441
Insurance	71,437	60,016
Security and transport	78,225	44,817
Catering	294,021	188,942
Technology costs	75,253	52,818
Office overheads	75,577	54,286
Legal and professional	62,216	22,200
Bank interest and charges	11,735	7,151
Governance costs	11,310	48,419
	<u>3,994,339</u>	<u>3,299,236</u>
	<u><u>14,967,674</u></u>	<u><u>12,061,542</u></u>

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

7. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on raising voluntary income	-	-	192,394	192,394	-
Expenditure on fundraising trading	-	-	12,496	12,496	20,103
Activities:					
Direct costs	9,689,937	393,827	889,571	10,973,335	8,762,306
Support costs	2,211,313	1,110,302	672,724	3,994,339	3,299,236
	<u>11,901,250</u>	<u>1,504,129</u>	<u>1,767,185</u>	<u>15,172,564</u>	<u>12,081,645</u>
<i>Total 2016</i>	<u>9,126,931</u>	<u>1,473,805</u>	<u>1,480,909</u>	<u>12,081,645</u>	

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets:		
- owned by the charity	721,820	540,209
Auditors' remuneration - audit	7,750	10,000
Auditors' remuneration - other services	3,560	6,461
Operating lease rentals	<u>109,701</u>	<u>54,649</u>

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

9. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	9,157,846	7,101,399
Social security costs	843,019	577,496
Operating costs of defined benefit pension schemes	1,896,835	1,232,784
	<u>11,897,700</u>	<u>8,911,679</u>
Staff restructuring costs	3,550	215,252
	<u><u>11,901,250</u></u>	<u><u>9,126,931</u></u>

Included in staff restructuring costs are non-statutory/ non-contractual severance payments totalling £3,550 (2016: £59,550). Individually the payments were £2,800 and £750.

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

	2017 No.	2016 No.
Teaching	165	129
Administration and support	208	175
Management	15	9
	<u>388</u>	<u>313</u>

Average headcount expressed as a full time equivalent:

	2017 No.	2016 No.
Teaching	151	113
Administration and support	138	103
Management	15	9
	<u>304</u>	<u>225</u>

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	2	2
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	1	1

The key management personnel of the Multi Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team of the MAT as listed on page 1. The Total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Multi Academy Trust was £447,417 (2016: £374,967).

LAUNCESTON COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

10. CENTRAL SERVICES

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

- Finance function
- Payroll function
- Health and Safety function
- School Improvement function
- Leadership

The Trust charges for these services on the following basis:

Student numbers with the exception of school improvement (2016: time-apportioned from Launceston College to Bideford College)

The actual amounts charged during the year were as follows:

	2017 £	2016 £
Launceston College	238,349	-
Bideford College	273,810	130,105
Total	<u>512,159</u>	<u>130,105</u>

11. TRUSTEES' REMUNERATION AND EXPENSES

The Executive Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Executive Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy in respect of their role as Trustees. The value of Trustees' remuneration in the year was as follows: J Jackson: Remuneration £95,000 - £100,000 (2016: £90,001 - £95,000) and employer's pension contributions £15,001 - £20,000 (2016: £15,001 - £20,000), T Broad: Remuneration £55,000 - £60,000 (2016: £50,001 - £55,000) and employer's pension contributions £10,001 - £15,000 (2015: £10,001 - £15,000).

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year ended 31 August 2017, 3 Trustees received reimbursement of expenses totalling £402 (2016 - £332 to 5 Trustees).

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Multi Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2017 was £1,217 (2016 - £476).

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

13. OTHER FINANCE INCOME

	2017 £	2016 £
Interest income on pension scheme assets	125,000	154,000
Interest on pension scheme liabilities	(267,000)	(247,000)
	<u>(142,000)</u>	<u>(93,000)</u>

14. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 September 2016	54,203,564	27,658	61,575	241,065	54,533,862
Additions	655,413	37,250	9,877	48,265	750,805
At 31 August 2017	<u>54,858,977</u>	<u>64,908</u>	<u>71,452</u>	<u>289,330</u>	<u>55,284,667</u>
Depreciation					
At 1 September 2016	1,218,298	18,585	46,937	184,210	1,468,030
Charge for the year	668,468	9,310	6,957	37,085	721,820
At 31 August 2017	<u>1,886,766</u>	<u>27,895</u>	<u>53,894</u>	<u>221,295</u>	<u>2,189,850</u>
Net book value					
At 31 August 2017	<u>52,972,211</u>	<u>37,013</u>	<u>17,558</u>	<u>68,035</u>	<u>53,094,817</u>
At 31 August 2016	<u>52,985,266</u>	<u>9,073</u>	<u>14,638</u>	<u>56,855</u>	<u>53,065,832</u>

15. DEBTORS

	2017 £	2016 £
Trade debtors	13,926	52,676
Other debtors	304,602	-
Prepayments and accrued income	315,625	612,539
	<u>634,153</u>	<u>665,215</u>

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

16. CREDITORS: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	-	3,124
Other taxation and social security	-	3,696
Other creditors	174,321	123,757
Accruals and deferred income	463,160	421,201
	<u>637,481</u>	<u>551,778</u>
	2017 £	2016 £
Deferred income		
Deferred income at 1 September 2016	19,089	48,676
Resources deferred during the year	670	19,089
Amounts released from previous years	(19,089)	(48,676)
	<u>670</u>	<u>19,089</u>
Deferred income at 31 August 2017	<u>670</u>	<u>19,089</u>

At the balance sheet date the Trust was holding funds received in advance of the 2017/18 year.

17. STATEMENT OF FUNDS

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General Funds	1,034,976	972,824	(302,313)	-	-	1,705,487
Restricted funds						
General Annual Grant (GAG)	825,900	12,464,035	(12,121,150)	(85,673)	-	1,083,112
Special Educational Needs	-	391,022	(391,022)	-	-	-
Start up grant	-	25,000	(6,757)	-	-	18,243
Pupil Premium	-	806,018	(806,018)	-	-	-
Other Government grants	-	135,617	(135,617)	-	-	-
Other income restricted	-	46,252	(46,252)	-	-	-
Non Capital CIF/DfC funding	-	-	(111,613)	111,613	-	-
Pension reserve	(6,668,000)	-	(530,000)	-	2,200,000	(4,998,000)
	<u>(5,842,100)</u>	<u>13,867,944</u>	<u>(14,148,429)</u>	<u>25,940</u>	<u>2,200,000</u>	<u>(3,896,645)</u>

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

17. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

Fixed assets transferred on conversion	52,618,631	-	(623,664)	-	-	51,994,967
Fixed assets purchased from GAG and other restricted funds	74,965	-	(47,818)	87,041	-	114,188
DfE/ ESFA Capital grants	1,346,660	209,565	(49,644)	(111,613)	-	1,394,968
Other capital grants	-	9,720	(696)	(1,368)	-	7,656
	<u>54,040,256</u>	<u>219,285</u>	<u>(721,822)</u>	<u>(25,940)</u>	<u>-</u>	<u>53,511,779</u>
Total restricted funds	<u>48,198,156</u>	<u>14,087,229</u>	<u>(14,870,251)</u>	<u>-</u>	<u>2,200,000</u>	<u>49,615,134</u>
Total of funds	<u>49,233,132</u>	<u>15,060,053</u>	<u>(15,172,564)</u>	<u>-</u>	<u>2,200,000</u>	<u>51,320,621</u>

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
Unrestricted funds						
General Funds	563,114	865,047	(393,185)	-	-	1,034,976
	<u>563,114</u>	<u>865,047</u>	<u>(393,185)</u>	<u>-</u>	<u>-</u>	<u>1,034,976</u>
Restricted funds						
General Annual Grant (GAG)	645,887	9,646,306	(9,419,843)	(46,450)	-	825,900
Special Educational Needs	-	242,746	(242,746)	-	-	-
Start up grant	-	146,866	(146,866)	-	-	-
Non Capital CIF/DfC funding	451,975	-	(477,353)	25,378	-	-
Other Government grants	-	634,984	(634,984)	-	-	-
Other restricted income	29,412	29,047	(58,459)	-	-	-
Pension reserve	(1,516,000)	(1,859,000)	(168,000)	-	(3,125,000)	(6,668,000)
	<u>(388,726)</u>	<u>8,840,949</u>	<u>(11,148,251)</u>	<u>(21,072)</u>	<u>(3,125,000)</u>	<u>(5,842,100)</u>

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

17. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

Fixed assets transferred on conversion	14,916,663	38,151,000	(449,032)	-	-	52,618,631
Fixed assets purchased from GAG and other restricted funds	69,596	-	(41,081)	46,450	-	74,965
DfE/ ESFA Capital grants	438,508	983,626	(50,096)	(25,378)	-	1,346,660
	<u>15,424,767</u>	<u>39,134,626</u>	<u>(540,209)</u>	<u>21,072</u>	<u>-</u>	<u>54,040,256</u>
Total restricted funds	<u>15,036,041</u>	<u>47,975,575</u>	<u>(11,688,460)</u>	<u>-</u>	<u>(3,125,000)</u>	<u>48,198,156</u>
Total of funds	<u>15,599,155</u>	<u>48,840,622</u>	<u>(12,081,645)</u>	<u>-</u>	<u>(3,125,000)</u>	<u>49,233,132</u>

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

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

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

Special Educational 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 Trust to address the current underlying inequalities between those children and their wealthier peers.

Other Government grants - Other income from the ESFA/ DfE and local government for restricted purposes.

Other restricted income - Other income received with specific restrictions.

Pension Reserve - This represents the Trust's share of the assets and liabilities in the Local Government Pension Scheme.

Non Capital CIF/ DfC funding - Income from the ESFA which is to be used for specific repairs to the Trust's buildings.

Fixed Asset Restricted Funds

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

DfE/ ESFA Capital Grants - Funds received for direct expenditure on fixed asset projects. The balance at the year end represents the net book value of assets purchased and any unspent grant amounts.

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

17. STATEMENT OF FUNDS (continued)

Fund Transfers

A transfer has been made between GAG funding and restricted fixed assets to reflect capital items purchased in the year using GAG funding.

A transfer has been made from restricted fixed asset funds in relation to DfE/ ESFA funding that was or capital works that have been spent towards projects which have not been capitalised in the accounts.

Under the funding agreement with the Secretary of State, the Multi Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £	<i>Total 2016 £</i>
Launceston College	1,577,363	<i>1,626,900</i>
Bideford College	1,104,995	<i>233,976</i>
Central Services	124,484	<i>-</i>
	<hr/>	<hr/>
Total before fixed asset fund and pension reserve	2,806,842	<i>1,860,876</i>
Restricted fixed asset fund	53,511,779	<i>54,040,256</i>
Pension reserve	(4,998,000)	<i>(6,668,000)</i>
	<hr/>	<hr/>
Total	51,320,621	<i>49,233,132</i>
	<hr/>	<hr/>

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2017 £	<i>Total 2016 £</i>
Launceston College	4,640,562	939,611	78,860	1,181,506	6,840,539	<i>7,203,640</i>
Bideford College	4,833,069	1,022,604	146,487	1,102,492	7,104,652	<i>4,337,796</i>
Central Services	216,306	249,098	5,400	34,747	505,551	<i>-</i>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	9,689,937	2,211,313	230,747	2,318,745	14,450,742	<i>11,541,436</i>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	53,094,817	53,094,817
Current assets	2,342,968	1,101,355	416,962	3,861,285
Creditors due within one year	(637,481)	-	-	(637,481)
Provisions for liabilities and charges	-	(4,998,000)	-	(4,998,000)
	<u>1,705,487</u>	<u>(3,896,645)</u>	<u>53,511,779</u>	<u>51,320,621</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	53,065,834	53,065,834
Current assets	1,586,754	825,900	974,422	3,387,076
Creditors due within one year	(551,778)	-	-	(551,778)
Provisions for liabilities and charges	-	(6,668,000)	-	(6,668,000)
	<u>1,034,976</u>	<u>(5,842,100)</u>	<u>54,040,256</u>	<u>49,233,132</u>

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

	2017 £	2016 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(112,511)	36,758,977
Adjustment for:		
Depreciation charges	721,822	540,209
Interest from investments	(3,127)	(5,937)
Decrease/(increase) in debtors	82,389	(176,275)
(Decrease)/increase in creditors	(308,790)	241,440
Capital grants from DfE and other capital income	(219,285)	(983,626)
Defined benefit pension scheme cost less contributions payable	387,000	75,000
Defined benefit pension scheme finance cost	142,000	93,000
Net (loss) on assets and liabilities from local authority on conversion	-	(36,376,139)
Net cash provided by operating activities	<u>689,498</u>	<u>166,649</u>

LAUNCESTON COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash in hand	3,227,132	2,721,863
Total	<u>3,227,132</u>	<u>2,721,863</u>

21. CAPITAL COMMITMENTS

At 31 August 2017 the Multi Academy Trust had capital commitments as follows:

	2017 £	2016 £
Contracted for but not provided in these financial statements	<u>304,285</u>	<u>-</u>

22. PENSION COMMITMENTS

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

LAUNCESTON COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

22. PENSION COMMITMENTS (continued)

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

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

The employer's pension costs paid to TPS in the period amounted to £1,017,000 (2016 - £272,472).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £630,000 (2016 - £507,000), of which employer's contributions totalled £498,000 (2016 - £396,000) and employees' contributions totalled £132,000 (2016 - £111,000). The agreed contribution rates for future years are 15.4% - 16.9% for employers and an average of 6.1% 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.

Cornwall Pension Fund

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.10 %
Rate of increase in salaries	2.50 %	4.10 %
Rate of increase for pensions in payment / inflation	2.40 %	2.10 %

LAUNCESTON COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

22. PENSION COMMITMENTS (continued)

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

	2017	2016
Retiring today		
Males	22.1	22.3
Females	24.5	24.4
Retiring in 20 years		
Males	24.0	24.4
Females	26.4	26.8

Devon County Council Pension Fund

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

	2017	2016
Discount rate for scheme liabilities	2.60 %	2.20 %
Rate of increase in salaries	4.20 %	4.10 %
Rate of increase for pensions in payment / inflation	2.70 %	2.30 %

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

	2017	2016
Retiring today		
Males	23.4	22.9
Females	25.5	26.2
Retiring in 20 years		
Males	25.7	25.2
Females	27.9	28.6

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

22. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	3,245,330	2,881,760
Debt instruments	1,862,770	1,697,410
Property	481,730	445,090
Cash and other liquid assets	175,170	105,740
Target return portfolio	338,000	269,000
Infrastructure and alternative assets	211,000	185,000
Total market value of assets	<u>6,314,000</u>	<u>5,584,000</u>

The actual return on scheme assets was £614,000 (2016 - £489,000).

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2017 £	2016 £
Current service cost	(885,000)	(471,000)
Past service cost	(1,000)	-
Interest income	125,000	154,000
Interest cost	(267,000)	(247,000)
Total	<u>(1,028,000)</u>	<u>(564,000)</u>
Actual return on scheme assets	<u>614,000</u>	<u>489,000</u>

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

	2017 £	2016 £
Opening defined benefit obligation	12,252,000	4,576,000
Upon conversion	-	3,382,000
Current service cost	885,000	471,000
Interest cost	267,000	247,000
Employee contributions	132,000	111,000
Actuarial (gains)/losses	(2,150,000)	3,500,000
Benefits paid	(74,000)	(35,000)
Closing defined benefit obligation	<u>11,312,000</u>	<u>12,252,000</u>

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

22. PENSION COMMITMENTS (continued)

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

	2017 £	2016 £
Opening fair value of scheme assets	5,584,000	3,060,000
Upon conversion	-	1,523,000
Interest income	125,000	154,000
Actuarial losses	50,000	375,000
Employer contributions	498,000	396,000
Employee contributions	132,000	111,000
Benefits paid	(74,000)	(35,000)
Administration costs	(1,000)	-
	<u>6,314,000</u>	<u>5,584,000</u>
Closing fair value of scheme assets	<u>6,314,000</u>	<u>5,584,000</u>

23. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Multi Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £	2016 £
Amounts payable:		
Within 1 year	83,672	69,687
Between 1 and 5 years	120,523	106,771
Total	<u>204,195</u>	<u>176,458</u>

24. MEMBERS' LIABILITY

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

LAUNCESTON COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017

25. RELATED PARTY TRANSACTIONS

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

Excluding remuneration paid to staff Trustees, no related party transactions took place in the period of account except the following:

An Daras Multi Academy Trust, of which J Jackson (Executive Principal) was a trustee until 27 February 2017, was charged £7,747 (2016: £36,356), for grounds maintenance and other services provided by Launceston College. At the year end £nil (2016: £60) was included within debtors.

The Caradon Co-Operative Educational Trust, of which J Jackson (Executive Principal) is a trustee, was charged £17,969 (2016: £nil), for grounds maintenance and other services provided by Launceston College. At the year end £nil (2016: £nil) was included within debtors.

Duchy College, of which A Counsell (Member) is also an employee, charged Launceston College £6,240 (2016: £18,933) for the provision of teaching Launceston College students.

Homeleigh Garden Centre, a company of which the spouse of T Broad (Trustee) is a director, charged Launceston College £67 (2016: £459) for purchases made.

South West Lakes Limited, of which A Shopland (Trustee) is a non-executive director, charged Launceston College £3,101 (2016: £nil) for summer school activities of teaching Launceston College students.

Peter Crispin (Member), charged Launceston College £600 (2016: £nil) for services provided.

26. AGENCY ARRANGEMENTS

The Multi Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2017 the Multi Academy Trust received £56,254 (2016: £116,946) and disbursed £6,116 (2016: £17,522) from the fund. An amount of £168,663 (2016: £118,525) is included in other creditors relating to undistributed funds that is repayable to the ESFA.