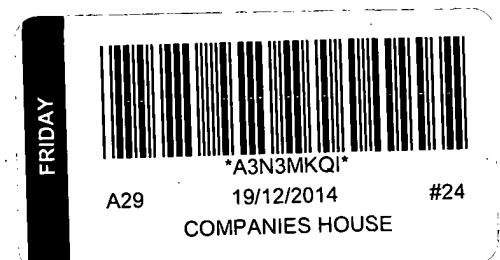


**AN DARAS MULTI ACADEMY TRUST
FORMERLY KNOWN AS LAUNCESTON PRIMARY SCHOOLS TRUST
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 AUGUST 2014



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

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND
ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2014**

Members	Mrs D C Easter Mr P O'Brien Mr J De Ferrars Mr W T Hermon ^{1,2}
Trustees	Mr P Broad (resigned 3 September 2014) ¹ Mrs S Chapman ² Mrs D C Easter ¹ Mr J De Ferrars (resigned 2 June 2014) Mrs B Ferris ¹ Mrs C Green (resigned 31 August 2014) Mr A J Jackson (appointed 13 January 2014) ² Mrs M Jefferies (appointed 21 May 2014) Mrs A Nicholson ¹ Mr P O'Brien ^{1,2} Mrs C Paul ² Mr P Smith ¹ ¹ Resources & Staffing Committee (incorporating Audit Committee) ² School Improvement & Strategic Development Committee
Company registered number	08156955
Principal and registered office	Roydon Road Launceston Cornwall PL15 8HL
Company secretary	Mrs H Hawken
Accounting officer	Mr W Hermon
Senior management team	Mr W Hermon, Executive Headteacher Mrs M Basford, School Business Manager Ms T Mills, Head of School Mr A Terry, Head of School Mrs C Green, Academy Improvement Officer
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN

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

**TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2014**

The Trustees present their annual report together with the financial statements and auditors' report of the Charitable Company for the period ended 31 August 2014. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an Academy Trust for pupils aged 5 to 11 in Launceston. It has a pupil capacity of 430 (220 at St Stephens, 210 at Windmill Hill) and had a roll of 406 (205 at St Stephens, 201 at Windmill Hill) in the school census on 16 October 2014.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust (was incorporated on 25 July 2012 and opened as an Academy on 1 January 2014) is a company limited by guarantee and an exempt charity. The Charitable Company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

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

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

Members' liability

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

Trustees' Indemnities

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

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

**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014**

TRUSTEES

Method of recruitment and appointment or election of Trustees

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

- up to 6 Trustees who are appointed by members.
- up to 2 Parent Trustees who are elected by Parents of registered pupils at the Academy Trust, unless the Local Governing Bodies include two Parent Governors.
- up to 2 staff Trustees appointed by the Board of Trustees.
- up to 2 Co-opted Trustees who are appointed by Board of Trustees.
- the Executive Headteacher who is treated for all purposes as being an ex officio Trustee.

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

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

Policies and Procedures adopted for the Induction and Training of Trustees

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

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

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

**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014**

Organisational Structure

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

There are 4 committees as follows;

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

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

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

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

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

The Executive Headteacher is the Accounting Officer.

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

**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014**

Connected Organisations, including Related Party Relationships

The Academy Trust has strong collaborative links with St Catherines Primary and Launceston College in Launceston which form part of the Launceston Academic Council.

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

There is a formal Parent Teacher Association associated with St Stephens Community Academy.

OBJECTIVES AND ACTIVITIES

Objects and Aims

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

The aims of the Academy Trust during the period ended 31 August 2014 are summarised below:

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

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

**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014**

Objectives, Strategies and Activities

Key priorities for the year are contained in our Academy Trust Improvement Plan 14/15 which is available from the Academy Central Office at St Stephens. Improvement focuses identified for this year include:

Pupil Achievement and Standards:

- To ensure that boys achievement in writing and reading is raised and progress accelerated so that there is an improving trend for all cohorts and groups (including vulnerable and most able) by sharing good practice and successes across the Academy Trust.
- To ensure that baseline data for pupils entering Foundation stage is complete and reliable by continuing to jointly work closely with preschool and nursery providers and by developing a consistent baseline assessment that validates judgements across the Academy Trust.
- To ensure that PE/Sport funding is having a sustainable impact on standards of teaching and results in higher levels of achievement for all pupils (including vulnerable and most able) by sharing CPD and good practice across the Academy Trust and developing opportunities for pupils to work together and compete against each other.

Learning and Teaching Impact:

- To continue to develop strategies that improves parental engagement by sharing good practice and building on current successes in both schools and, therefore, increases the impact on the progress of the most vulnerable pupils.
- To continue to develop moderation across the Academy Trust focusing on evidence of challenging learning in books and teaching that progresses pupils rapidly between levels.

Leadership Impact:

- To further develop tracking and accountability systems through the use of Primary Toolkit and sharing good practice so that systems can be developed that are accessible at Academy Trust level.
- To ensure that Academy schools are ready to introduce Curriculum 14 by September and that the teaching and learning within this meets local needs and ensures good progress and attainment for all pupils at both schools.
- To ensure that assessments of learning levels are fit for purpose and compatible with the new curriculum.
- To further improve teaching and learning standards by sharing observations and validating performance management decisions of standards of teaching and learning so that levels across the Academy Trust are consistently good or outstanding.

Learning Environment Improvement:

- To improve administration facilities so that efficiency is not impaired by the working environment and facilitates support the development of an effective Academy Trust administration team.

Public Benefit

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

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

The Academy Trust also provides facilities for recreational and other leisure time occupation for the community

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

**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014**

at large in the interests of social welfare and with the intent of improving the life of the said community.

STRATEGIC REPORT

Achievements and Performance

St Stephens Community Academy Pupil Achievement Results

Head line achievement results at all Key Stages are affected by the inclusion of pupil data from pupils who attend the Area Resource Base class which caters for the education of ten pupils with severe and profound learning needs. Nevertheless attainment compares favourably with 2014 national attainment average benchmarks.

A:Attainment Level	Reading	Writing	Maths	Science
L2+	School: 92.9% Nat 13: 89%	School: 82% Nat 13: 85%	School: 93% Nat 13: 91%	School: 90% Nat 13: 90%
L2b+	School: 86% Nat 13: 79%	School: 64% Nat 13: 67%	School: 75% Nat 13: 78%	School: 75% Nat 13: N/A
L3+	School: 28% Nat 13: 29%	School: 14% Nat 13: 15%	School: 24% Nat 13: 23%	School: 28% Nat 13: 22%

Table B: Cohort attainment with one ARB pupil de-aggregated (removed from the data set) was:

B:Attainment Level	Reading	Writing	Maths	Science
L2+	School: 96% Nat 13: 89%	School: 85% Nat 13: 85%	School: 96% Nat 13: 91%	School: 96% Nat 13: 90%
L2b+	School: 89% Nat 13: 79%	School: 67% Nat 13: 67%	School: 78% Nat 13: 78%	School: 78% Nat 13: N/A
L3+	School: 30% Nat 13: 29%	School: 15% Nat 13: 15%	School: 26% Nat 13: 23%	School: 30% Nat 13: 22%

2014 Key Stage 2 Attainment and Progress Outcomes

Table C: Cohort had two ARB pupils included within the headline attainment below:

C:Attainment Level	Reading	EGPS	Writing	Maths
L4+	School: 100% Nat 14: 89%	School: 88% Nat 14: 76%	School: 94% Nat 14: 84%	School: 94% Nat 14: 86%
L5+	School: 65% Nat 14: 50%	School: 65% Nat 14: 52%	School: 29% Nat 14: 33%	School: 65% National: 42%
L6+	School: 0% Nat 14: N/A	School: 0% Nat 14: N/A	School: 0% Nat 14: N/A	School: 12% Nat 14:
Progress				
2+ NC levels	School: 89% Nat 14: 91%		School: 89% Nat 14: 93%	School: 89% Nat 14: 90%
2+ NC levels	School: 32% Nat 14: 35%		School: 32% National: 33%	School: 37% Nat 14: 35%
4+ NC levels	School: 10% Nat 14: N/A		School: 0% Nat 14: N/A	School: 5% Nat 14: N/A

Table D: Cohort attainment/progress with two ARB pupils de-aggregated (removed from the data set):

D:Attainment Level	Reading	EGPS	Writing	Maths
L4+	School: 100% Nat 14: 89%	School: 88% Nat 14: 76%	School: 94% Nat 14: 84%	School: 94% Nat 14: 86%
L5+	School: 65% Nat 14: 50%	School: 65% Nat 14: 52%	School: 29% Nat 14: 33%	School: 65% Nat 14: 42%
L6+	School: 0% Nat 14: N/A	School: 0% Nat 14: N/A	School: 0% Nat 14: N/A	School: 12% Nat 14:

Progress

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

**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014**

2+ NC levels	School: 100%	School: 100%	School: 100%
	Nat 14: 91%	Nat 14: 93%	Nat 14: 90%
3+ NC levels	School: 35%	School: 35%	School: 41%
	Nat 14: 35%	National:33%	Nat 14: 35%
4+ NC levels	School: 12%	School: 0%	School: 6%
	Nat 14:N/A	Nat 14: N/A	Nat 14: N/A

Windmill Hill Academy Pupil Achievement Results

2014 Key Stage 1 Attainment Outcomes

Table E: Key Stage 1

E:Attainment Level	Reading	Writing	Maths	Science
L2+	School: 89%	School: 75%	School: 89%	School: 93%
	Nat 13: 89%	Nat 13: 85%	Nat 13: 91%	Nat 13: 90%
L2b+	School: 82%	School: 57%	School: 79%	School: 75%
	Nat 13:79%	Nat 13: 67%	Nat 13: 78%	Nat 13: N/A
L3+	School: 18%	School: 11%	School: 11%	School: 21%
	Nat 13: 29%	Nat 13: 15%	Nat 13: 23%	Nat 13: 22%

2014 Key Stage 2 Attainment and Progress Outcomes

Table F: Key Stage 2

F:Attainment Level

L4+	School: 93%	School: 83%	School: 90%	School: 93%
	Nat 14:89%	Nat 14: 76%	Nat 14: 84%	Nat 14: 86%
L5+	School: 93%	School: 62%	School: 48%	School: 48%
	Nat 14:89%	Nat 14:52%	Nat 14: 33%	National:42%
L6+	School: 0%	School: 10%	School: 3%	School 13%
	Nat14: N/A	Nat 14: N/A	Nat 14:	Nat 14:
Progress				
2+ NC levels	School: 96%		School: 100%	School: 100%
	Nat 14: 91%		100%	Nat 14: 90%
			Nat 14: 93%	
3+ NC levels	School: 54%		School: 57%	School :50%
	Nat 14: 35%		National:33%	Nat 14: 35%
4+ NC levels	School: 3%		School: 0%	School: 6%
	Nat 14:N/A		Nat 14: N/A	Nat 14: N/A

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

Secure pupil standards against national benchmarks by the end of Key Stage 2 at both academy schools indicates that the Academy Trust has successfully delivered its stated aims and objectives.

During the year, the Academy Trust secured a capital grant to update the kitchen servery at Windmill Hill Academy.

Continuing professional development for staff has been very successful with 3 teaching staff undertaking accredited senior leadership training through the National College of School Leadership.

The Academy Trust has established close links with St Catherines Primary School in Launceston. The Academy Trust is providing continued school improvement support and developing mutual staff development, with the primary aim of driving up standards.

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

**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014**

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In the period under review, £12,629 of GAG was carried forward.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2014 were 398 (192 at St Stephens Community Academy and 206 Windmill Hill Academy), an increase of 6 over 2013 (189 at St Stephens Community Academy and 203 Windmill Hill Academy). It is anticipated that this number will continue to rise.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2014 this was 95%.

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Academy Trust's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2014 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

At 31 August 2014 the net book value of fixed assets was £3,454,852 and movements in tangible fixed assets are shown in note 15 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The freehold for land, buildings and other assets were transferred to the Academy Trust upon conversion. Land and buildings at St Stephens Community Academy were professionally valued on 16th May 2014 at £1,547,000. Land and buildings at Windmill Hill Academy were professionally valued on 23rd May 2014 at £1,829,000. Other assets have been included in the financial statements at a best estimate, taking into account purchase price and remaining useful lives.

The balance of the former individual school's budget share (£82,982 for St Stephens & £117,275 for Windmill Hill Academy) was transferred across on conversion and is shown as Unrestricted Funds.

The Academy Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activity with details in Note 25 to the financial statements.

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

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

**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014**

Reserves Policy

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

The Trustees have determined that the appropriate level of free reserves should be approximately £150,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Total reserves of the Academy Trust (excluding the Restricted Fixed Asset Fund) amount to £10,557, although this includes £42,462 of non GAG restricted funds and the pension deficit of (£274,000). The remaining £242,095 (representing unrestricted funds and unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy. This represents 8 months of normal recurring expenditure.

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

- £40,000 has been set aside for the possible contribution towards Academy Trust central office facilities.
- £30,000 has been earmarked to fund the purchase of two 17-seat minibuses, which aims to increase the experiential and sporting learning opportunities for pupils within both schools.
- £20,000 has been allocated for a rolling maintenance programme across both schools.

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

Investment Policy

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

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

**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014**

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

Financial - the Academy Trust has considerable reliance on continued Government funding through the EFA. In the last year 94% of the Academy Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

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

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

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

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

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

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

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

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 25 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

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

**TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014**

PLANS FOR FUTURE PERIODS

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

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

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

AUDITORS

In so far as the Trustees are aware:

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

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

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as company directors, on ~~09.12.14~~ and signed on the board's behalf by:



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

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

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The board of trustees has delegated the day-to-day responsibility to the Executive Headteacher, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between An Daras Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The board of trustees has formally met 3 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr W T Hermon	3	3
Mr P Broad	2	2
Mrs S Chapman	3	3
Mrs D C Easter	3	3
Mr J De Ferrars	0	0
Mrs B Ferris	0	0
Mrs C Green	3	3
Mr A J Jackson	2	3
Mrs M Jefferies	1	1
Mrs A Nicholson	2	2
Mr P O'Brien	2	2
Mrs C Paul	1	2
Mr P Smith	0	0

The Resources and Staffing Committee is a sub-committee of the main board of trustees. Its purpose is to monitor, evaluate and review policy and performance in relation to financial management, premises management, compliance with reporting and regulatory requirements and reporting, receiving reports from the Responsible Officer/internal audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
Mrs D C Easter	1	1
Mr W T Hermon	1	1
Mr P O'Brien	1	1
Mrs A Nicholson	0	1
Mr P Broad	0	1
Mrs B Ferris	1	1
Mr P Smith	1	1

GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in An Daras Multi Academy Trust for the period 1 April 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the period 1 April 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

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

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

During the year Bishop Fleming performed one visit, which covered the full period since Conversion, during which no significant issues were identified.

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

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

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

Approved by order of the members of the board of trustees on 09-12-14 and signed on its behalf, by:



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



**Mr W T Hermon
Accounting Officer**

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

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



**Mr W T Hermon
Accounting Officer**

Date: 9th Dec. 2014

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

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2014**

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

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

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

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

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

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



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

Date: 9/12/14

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AN DARAS MULTI ACADEMY TRUST

We have audited the financial statements of An Daras Multi Academy Trust for the period ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

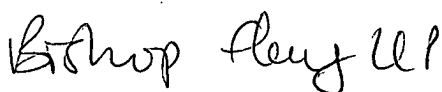
**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AN DARAS MULTI ACADEMY TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Pamela Tuckett FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

12 December 2014

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

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

In accordance with the terms of our engagement letter dated 17 January 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by An Daras Multi Academy Trust during the period 1 April 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

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

The accounting officer is responsible, under the requirements of An Daras Multi Academy Trust's funding agreement with the Secretary of State for Education dated 19 December 2013, and the Academies Financial Handbook extant from 1 September 2012, 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 2013 to 2014. 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 period 1 April 2013 to 31 August 2014 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 2013 to 2014 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

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

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

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO AN DARAS
MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (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 period 1 April 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Pamela Tuckett FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN
12 December 2014

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

**STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE PERIOD ENDED 31 AUGUST 2014**

		Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
	Note					
INCOMING RESOURCES						
Incoming resources from generated funds:						
Transfer from Local Authority on conversion	2	201,997	(181,000)	105,086	126,083	-
Other voluntary income	2	6,991	2,697	-	9,688	3,416,878
Activities for generating funds	3	12,100	-	-	12,100	-
Investment income	4	281	-	-	281	-
Incoming resources from charitable activities	5	38,227	1,281,907	12,410	1,332,544	-
TOTAL INCOMING RESOURCES		259,596	1,103,604	117,496	1,480,696	3,416,878
RESOURCES EXPENDED						
Costs of generating funds:						
Fundraising expenses and other costs		8,170	-	-	8,170	-
Charitable activities		20,760	1,210,335	82,244	1,313,339	-
Governance costs	6	-	15,046	-	15,046	1,200
TOTAL RESOURCES EXPENDED	9	28,930	1,225,381	82,244	1,336,555	1,200
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		230,666	(121,777)	35,252	144,141	3,415,678

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

**STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE PERIOD ENDED 31 AUGUST 2014**

		Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Transfers between Funds	19	-	(15,132)	15,132	-	-
NET INCOME FOR THE PERIOD		230,666	(136,909)	50,384	144,141	3,415,678
Actuarial gains and losses on defined benefit pension schemes		-	(82,000)	-	(82,000)	-
NET MOVEMENT IN FUNDS FOR THE PERIOD		230,666	(218,909)	50,384	62,141	3,415,678
Total funds at 1 April 2013		(1,200)	-	3,416,878	3,415,678	-
TOTAL FUNDS AT 31 AUGUST 2014		229,466	(218,909)	3,467,262	3,477,819	3,415,678

All of the Academy Trust's activities derive from acquisitions in the current financial period.

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

The notes on pages 26 to 47 form part of these financial statements.

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

BALANCE SHEET
AS AT 31 AUGUST 2014

	Note	£	31 August 2014 £	£	31 March 2013 £
FIXED ASSETS					
Tangible assets	16		3,454,852		3,416,878
CURRENT ASSETS					
Debtors	17	91,066		-	
Cash at bank		340,380		-	
		<u>431,446</u>		<u>-</u>	
CREDITORS: amounts falling due within one year	18	<u>(134,479)</u>		<u>(1,200)</u>	
NET CURRENT ASSETS/(LIABILITIES)			<u>296,967</u>		<u>(1,200)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>3,751,819</u>		<u>3,415,678</u>
Defined benefit pension scheme liability	25		<u>(274,000)</u>		<u>-</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>3,477,819</u></u>		<u><u>3,415,678</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	19	55,091		-	
Fixed asset funds	19	3,467,262		3,416,878	
		<u>3,522,353</u>		<u>3,416,878</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(274,000)</u>		<u>-</u>	
Total restricted funds			<u>3,248,353</u>		<u>3,416,878</u>
Unrestricted funds	19		<u>229,466</u>		<u>(1,200)</u>
TOTAL FUNDS			<u><u>3,477,819</u></u>		<u><u>3,415,678</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 09-12-14 and are signed on their behalf, by:



Mr P O'Brien
Chair of Trustees

The notes on pages 26 to 47 form part of these financial statements.

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

**CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2014**

		Period ended 31 August 2014 £	31 March 2013 £
	Note		
Net cash flow from operating activities	21	140,824	-
Returns on investments and servicing of finance	22	281	-
Capital expenditure and financial investment	22	(2,722)	-
Cash transferred on conversion to an academy trust	24	201,997	-
INCREASE IN CASH IN THE PERIOD		340,380	-

All of the cash flows are derived from acquisitions in the current financial period.

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE PERIOD ENDED 31 AUGUST 2014**

	Period ended 31 August 2014 £	31 March 2013 £
Increase in cash in the period	340,380	-
MOVEMENT IN NET FUNDS IN THE PERIOD	340,380	-
NET FUNDS AT 31 AUGUST	340,380	-

The notes on pages 26 to 47 form part of these financial statements.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 FUND ACCOUNTING

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the 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 funders where the asset acquired or created is held for a specific purpose.

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.3 INCOMING RESOURCES

All incoming resources are included in the Statement of financial activities when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

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

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

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

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

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

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

1.4 RESOURCES EXPENDED

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

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

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

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

All resources expended are inclusive of irrecoverable VAT.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

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 Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees conclude that it is appropriate to prepare accounts on the going concern basis for the period ended 31 August 2014.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy Trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Fixtures and fittings	-	20% straight line
Computer equipment	-	25% straight line

1.7 OPERATING LEASES

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

1.8 TAXATION

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.9 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 25, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

1.10 CONVERSION TO AN ACADEMY TRUST

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £NIL consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from St Stephens Community Academy and Windmill Hill Academy to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for An Daras Multi Academy Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 24.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Transfer from Local Authority on conversion	201,997	(75,914)	126,083	-
Donations	6,991	2,697	9,688	3,416,878
Voluntary income	208,988	(73,217)	135,771	3,416,878

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Lettings	50	-	50	-
Uniforms	1,972	-	1,972	-
Fees received	7,310	-	7,310	-
Other	2,768	-	2,768	-
	12,100	-	12,100	-

4. INVESTMENT INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Bank interest	281	-	281	-

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
DfE/EFA grants				
Capital Grants	-	12,410	12,410	-
General Annual Grant	-	984,633	984,633	-
Start up Grants	-	50,000	50,000	-
Other DfE/EFA grants	-	117,616	117,616	-
	-	1,164,659	1,164,659	-
Other Government grants				
Special Educational Needs	-	115,323	115,323	-
Other government grants non capital	-	12,809	12,809	-
	-	128,132	128,132	-
Other funding				
Other	38,227	1,526	39,753	-
	38,227	1,526	39,753	-
	38,227	1,294,317	1,332,544	-

6. GOVERNANCE COSTS

	Total funds 2014 £	Total funds 2013 £
Auditors' remuneration	6,950	-
Auditors' non audit costs	3,527	1,200
Legal and Professional	4,494	-
Other costs	75	-
	15,046	1,200

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

7. DIRECT COSTS

	Total 2014 £	Total 2013 £
Pension finance costs	3,000	-
Educational supplies	26,775	-
Staff development	11,103	-
Other costs	17,886	-
Supply teachers	14,017	-
Technology costs	6,030	-
Wages and salaries	677,220	-
National insurance	39,651	-
Pension cost	120,572	-
Depreciation	74,558	-
	990,812	-

8. SUPPORT COSTS

	Total 2014 £	Total 2013 £
Recruitment and other staff costs	701	-
Maintenance of premises and equipment	17,537	-
Cleaning	40,835	-
Rent and rates	10,597	-
Heat and light	11,934	-
Insurance	24,359	-
Security and transport	7,724	-
Catering	26,490	-
Technology costs	34,441	-
Office overheads	22,611	-
Legal and professional	34,265	-
Bank interest and charges	96	-
Wages and salaries	64,870	-
National insurance	2,721	-
Pension cost	15,660	-
Depreciation	7,686	-
	322,527	-

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

9. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	Total
	2014	Premises	Other	2014	2013
	£	2014	2014	£	£
Fundraising expenses	5,558	-	2,612	8,170	-
COSTS OF GENERATING FUNDS	5,558	-	2,612	8,170	-
Direct costs	877,460	41,330	72,022	990,812	-
Support costs	83,251	77,701	161,575	322,527	-
CHARITABLE ACTIVITIES	960,711	119,031	233,597	1,313,339	-
GOVERNANCE	-	-	15,046	15,046	1,200
	966,269	119,031	251,255	1,336,555	1,200

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	Period ended 31 August 2014 £	31 March 2013 £
Depreciation of tangible fixed assets:		
- owned by the charity	82,244	-
Auditors' remuneration	6,950	-
Auditors' remuneration - non-audit	3,527	1,200
Operating lease rentals:		
- other operating leases	4,434	-

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FOR THE PERIOD ENDED 31 AUGUST 2014**

11. STAFF

a. Staff costs

Staff costs were as follows:

	Period ended 31 August 2014 £	31 March 2013 £
Wages and salaries	746,392	-
Social security costs	42,746	-
Pension costs (Note 25)	137,114	-
	<u>926,252</u>	<u>-</u>
Supply teacher costs	14,017	-
	<u>940,269</u>	<u>-</u>

b. Staff numbers

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

	Period ended 31 August 2014 No.	31 March 2013 No.
Teachers	21	0
Educational Support	18	0
Administration and Clerical	2	0
Management	1	0
	<u>42</u>	<u>0</u>

c. Higher paid staff

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

	Period ended 31 August 2014 No.	31 March 2013 No.
In the band £70,001 - £80,000	1	0

The above employee participated in the Teachers' Pension Scheme. During the period ended 31 August 2014, pension contributions for this member amounted to £5,678.

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12. CENTRAL SERVICES

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

- Finance and administration
- Insurance

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

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

The actual amounts charged during the year were as follows:

	Period ended 31 August 2014 £
St Stephens Community Academy	37,126
Windmill Hill Academy	41,297
Total	<u>78,423</u>

13. TRUSTEES' REMUNERATION AND EXPENSES

The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration (including pension) in the period was as follows: W Hermon (forty-five to fifty thousand pounds), K Clark (ten to fifteen thousand pounds), A Bassett (twenty-five to thirty thousand pounds) and C Paul (nil to five thousand pounds).

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

During the period, no Trustees received any benefits in kind (2013: £NIL).

During the period ended 31 August 2014, expenses totalling £75 (2013: £NIL) were reimbursed to 1 Trustee (2013: 0).

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2014 was £197 (2013: £Nil). The cost of this insurance is included in the total insurance cost.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

15. OTHER FINANCE INCOME

	Period ended 31 August 2014 £	31 March 2013 £
Expected return on pension scheme assets	15,000	-
Interest on pension scheme liabilities	(18,000)	-
	<u>(3,000)</u>	<u>-</u>

16. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
COST				
At 1 April 2013	3,416,878	-	-	3,416,878
Additions	-	1,370	13,762	15,132
Transfer on conversion	-	37,587	67,499	105,086
At 31 August 2014	<u>3,416,878</u>	<u>38,957</u>	<u>81,261</u>	<u>3,537,096</u>
DEPRECIATION				
Charge for the period	45,418	9,739	27,087	82,244
At 31 August 2014	<u>45,418</u>	<u>9,739</u>	<u>27,087</u>	<u>82,244</u>
NET BOOK VALUE				
At 31 August 2014	<u>3,371,460</u>	<u>29,218</u>	<u>54,174</u>	<u>3,454,852</u>
At 31 March 2013	<u>3,416,878</u>	<u>-</u>	<u>-</u>	<u>3,416,878</u>

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

17. DEBTORS

	31 August 2014 £	31 March 2013 £
VAT recoverable	42,954	-
Prepayments and accrued income	48,112	-
	<u>91,066</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

18. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 August 2014	31 March 2013
	£	£
Trade creditors	32,659	-
Other taxation and social security	20,143	-
Other creditors	22,989	-
Accruals and deferred income	58,688	1,200
	134,479	1,200

DEFERRED INCOME

Resources deferred during the year	29,054
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At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals grants.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

19. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	(1,200)	259,596	(28,930)	-	-	229,466
RESTRICTED FUNDS						
General Annual Grant (GAG)	-	984,633	(965,817)	(6,187)	-	12,629
Start up Grant	-	50,000	(39,804)	(8,945)	-	1,251
Special Educational Needs	-	115,323	(115,323)	-	-	-
Pupil Premium	-	110,734	(81,034)	-	-	29,700
Sports and PE Grant	-	6,882	(5,815)	-	-	1,067
Other restricted funds	-	17,032	(6,588)	-	-	10,444
Pension reserve	-	(181,000)	(11,000)	-	(82,000)	(274,000)
	-	1,103,604	(1,225,381)	(15,132)	(82,000)	(218,909)
RESTRICTED FIXED ASSET FUNDS						
	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Fixed assets transferred on conversion	3,416,878	105,086	(77,314)	-	-	3,444,650
Fixed assets purchased from GAG and other restricted funds	-	-	(4,930)	15,132	-	10,202
DfE/EFA Capital grants	-	12,410	-	-	-	12,410
	3,416,878	117,496	(82,244)	15,132	-	3,467,262
Total restricted funds	3,416,878	1,221,100	(1,307,625)	-	(82,000)	3,248,353
Total of funds	3,415,678	1,480,696	(1,336,555)	-	(82,000)	3,477,819

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

19. STATEMENT OF FUNDS (continued)

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 EFA for children that qualify for free school meals to enable the Academy to address the current underlying inequalities between those children and their wealthier peers.

Sports and PE Grant - The PE and sport premium is designed to help primary schools improve the quality of the PE and sport activities they offer the pupils.

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

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

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

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2014 were allocated as follows:

	Total £
St Stephens Community Academy	132,949
Windmill Hill Academy	151,608
	<hr/>
Total before fixed asset fund and pension reserve	284,557
Restricted fixed asset fund	3,467,262
Pension reserve	(274,000)
	<hr/>
Total	3,477,819
	<hr/>

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
St Stephens Community Academy	450,385	37,828	19,204	143,454	650,871
Windmill Hill Academy	396,075	47,980	8,941	155,776	608,772
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	846,460	85,808	28,145	299,230	1,259,643
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

AN DARAS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	(1,200)	259,596	(28,930)	-	-	229,466
Restricted funds	-	1,103,604	(1,225,381)	(15,132)	(82,000)	(218,909)
Restricted fixed asset funds	3,416,878	117,496	(82,244)	15,132	-	3,467,262
	<u>3,415,678</u>	<u>1,480,696</u>	<u>(1,336,555)</u>	<u>-</u>	<u>(82,000)</u>	<u>3,477,819</u>

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	-	-	3,454,852	3,454,852	3,416,878
Current assets	272,598	146,438	12,410	431,446	-
Creditors due within one year	(43,132)	(91,347)	-	(134,479)	(1,200)
Pension scheme liability	-	(274,000)	-	(274,000)	-
	<u>229,466</u>	<u>(218,909)</u>	<u>3,467,262</u>	<u>3,477,819</u>	<u>3,415,678</u>

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	Period ended 31 August 2014 £	31 March 2013 £
Net incoming resources before revaluations	144,141	3,415,678
Returns on investments and servicing of finance	(281)	-
Net assets transferred on conversion	(126,083)	(3,416,878)
Depreciation of tangible fixed assets	82,244	-
Capital grants from DfE	(12,410)	-
Increase in debtors	(91,066)	-
Increase in creditors	133,279	1,200
Defined benefit pension scheme adjustments	11,000	-
NET CASH INFLOW FROM OPERATIONS	<u>140,824</u>	<u>-</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

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

	Period ended 31 August 2014 £	31 March 2013 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	281	-
	<u>281</u>	<u>-</u>
	Period ended 31 August 2014 £	31 March 2013 £
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(15,132)	-
Capital grants from DfE	12,410	-
	<u>(2,722)</u>	<u>-</u>
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(2,722)	-

23. ANALYSIS OF CHANGES IN NET FUNDS

	1 April 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	-	340,380	-	340,380
NET FUNDS	-	340,380	-	340,380

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.

24. CONVERSION TO AN ACADEMY TRUST

On 1 January 2014 St Stephens Community Academy and Windmill Hill Academy converted to Academy Trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to An Daras Multi Academy Trust from Cornwall Council for £NIL consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of financial activities as voluntary income.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

24. CONVERSION TO AN ACADEMY TRUST (continued)

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Other tangible fixed assets	-	-	105,086	105,086
Budget surplus/(deficit) on LA funds	201,997	-	-	201,997
LGPS pension surplus/(deficit)	-	(181,000)	-	(181,000)
Net assets/(liabilities)	<u>201,997</u>	<u>(181,000)</u>	<u>105,086</u>	<u>126,083</u>

The above net assets include £201,997 that were transferred as cash.

25. PENSION COMMITMENTS

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2013.

Contributions amounting to £22,989 were payable to the scheme at 31 August 2014 (2013: nil) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

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

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts: First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary

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**NOTES TO THE FINANCIAL STATEMENTS
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25. PENSION COMMITMENTS (continued)

contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

The Public Service Pensions Bill provides for future scheme valuations to be conducted in accordance with Treasury directions. The actuarial valuation report in summer 2014 takes effect from September 2015.

Teachers' Pension Scheme Changes

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

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

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

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

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

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Academy Trust has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The Academy Trust has set out above the information available on the scheme.

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

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 period ended 31 August 2014 was £68,000, of which employer's contributions totalled £54,000 and employees' contributions totalled £14,000. The agreed contribution rates for future years are 17.5% for employers and 5.5-7.5% for employees.

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

As described in note 24 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the balance sheet date.

The amounts recognised in the Balance sheet are as follows:

	Period ended 31 August 2014 £	31 March 2013 £
Present value of funded obligations	(755,000)	-
Fair value of scheme assets	481,000	-
	<hr/>	<hr/>
Net liability	(274,000)	-
	<hr/> <hr/>	<hr/> <hr/>

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

	Period ended 31 August 2014 £	31 March 2013 £
Current service cost	(62,000)	-
Interest on obligation	(18,000)	-
Expected return on scheme assets	15,000	-
	<hr/>	<hr/>
Total	(65,000)	-
	<hr/> <hr/>	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

25. PENSION COMMITMENTS (continued)

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

	Period ended 31 August 2014 £	31 March 2013 £
Current service cost	62,000	-
Interest cost	18,000	-
Contributions by scheme participants	14,000	-
Actuarial Losses	100,000	-
Liability transferred on conversion	561,000	-
	<hr/>	<hr/>
Closing defined benefit obligation	755,000	-
	<hr/>	<hr/>

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

	Period ended 31 August 2014 £	31 March 2013 £
Expected return on assets	15,000	-
Actuarial gains and (losses)	18,000	-
Contributions by employer	54,000	-
Contributions by employees	14,000	-
Asset transferred on conversion	380,000	-
	<hr/>	<hr/>
	481,000	-
	<hr/>	<hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £(82,000) (2013: £NIL).

The Academy Trust expects to contribute £83,000 to its Defined benefit pension scheme in 2015.

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

	2014	2013
Equities	53.00 %	- %
Bonds	40.00 %	- %
Property	6.00 %	- %
Cash	1.00 %	- %

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

	2014	2013
Discount rate for scheme liabilities	3.70 %	- %
Expected return on scheme assets at 31 August	4.40 %	- %
Rate of increase in salaries	4.40 %	- %
Rate of increase for pensions in payment / inflation	2.60 %	- %

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014

25. 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:

	2014	2013
Retiring today		
Males	22.4	
Females	24.4	
Retiring in 20 years		
Males	24.4	
Females	26.8	

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2014 £	2013 £
Defined benefit obligation	(755,000)	-
Scheme assets	481,000	-
Deficit	(274,000)	-
Experience adjustments on scheme liabilities	(100,000)	-
Experience adjustments on scheme assets	18,000	-

26. OPERATING LEASE COMMITMENTS

At 31 August 2014 the Academy Trust had annual commitments under non-cancellable operating leases as follows:

	31 August Other 2014 £	31 March 2013 £
EXPIRY DATE:		
Between 2 and 5 years	4,434	-

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2014**

27. RELATED PARTY TRANSACTIONS

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

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

During the period the Trust made sales of £594 to St Catherine's C of E School, a school where Mrs S Chapman is a governor. There was no balance outstanding at the year end.