

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

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018



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

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**AN DARAS MULTI ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018**

Members	Mr P O'Brien Mrs E Paynter Mrs A Nicholson Mrs M Young Mr B Jennings Mr T Woodward (EDEN representative) (appointed 5 December 2017)
Trustees	Mr W T Hermon, Chief Executive Officer ^{1,2,3,4} Mrs A Jefferies ^{3,4} Mrs C Paul ^{3,4} Mr P Smith (resigned 3 November 2017) ^{1,2} Mr G Barriball, Vice Chair ^{1,2} Mrs S Cooksey ^{1,2} Mrs R Couch ^{2,4} Mr B Jennings, Chair ^{1,2,3,4} Mrs L Rash (resigned 18 April 2018) ^{3,4} Mrs E Gilbert (appointed 6 September 2017, resigned 18 April 2018) ² Mrs N Murphy (appointed 4 July 2018) ^{3,4} Mr T Woodward (appointed 4 July 2018) ^{2,3} ¹ Resources, Staffing and Safeguarding Committee ² Finance and Strategic Development Committee ³ Teaching, Learning and Achievement Committee ⁴ Audit Committee
Company registered number	08156955
Company name	An Daras Multi Academy Trust
Principal and registered office	Unit 4 Tamar Business Park Pennygillam Way, Pennygillam Industrial Estate Launceston Cornwall PL15 7ED
Company secretary	Mrs T Martin
Accounting officer	Mr W T Hermon
Senior management team	Mr W T Hermon, Chief Executive Officer Mrs E Gilbert, Chief Finance Officer Mrs M Basford, Trust Business Manager
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
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2018. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Academy Trust operates 6 primary academies in Launceston and its surrounding area. Its academies have a combined pupil capacity of 1,050 (240 - St Stephens, 210 - Windmill Hill, 250 - St Catherines, 70 - North Petherwin, 70 - Werrington, 90 - Lew Trenchard, 70 - Coads Green) and had a roll of 947 (230 - St Stephens, 201 - Windmill Hill, 229 - St Catherines, 74 - North Petherwin, 70 - Werrington, 90 - Lew Trenchard, 53 - Coads Green) in the school census on 18 January 2018. Coads Green Primary joined the MAT on 1st July 2018.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

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

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

Members' liability

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

Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time

Total cost of facility time	£8,492
Total pay bill	£3,645,470
Percentage of total pay bill spent on facility time	<1%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	13%
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**AN DARAS MULTI ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

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 Trust business. The insurance provides cover up to £5,000,000 on any one claim.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

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

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

Trustees are appointed for a four year period, except that this time limit does not apply to the Chief Executive Officer. 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 consider the skills and experience mix of existing Trustees to ensure that the Board has the necessary skills to contribute fully to the Academy Trusts development. Director/Trustee finance training and development to support further expansion of the Trust has taken place this year. Successful identification and recruitment of an experienced Local Authority senior manager has provided the Trust with a new Director. Similarly, a new MAT Diocesan Director has been appointed to support the Academy Trust Board as it looks to support its church schools.

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 Governance Officer 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, Diocese of Truro and Exeter and other bodies.

Organisational Structure

The full Board of Trustees (Directors) normally meets once each term. The Board establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports and 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 (plus an LGAC for each separate school as follows);

- **Resources, Staffing and Safeguarding Committee** - this meets at least three 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. It also incorporates the role of safeguarding oversight.
- **Finance and Strategic Development Committee** - this meets at least once a term to monitor, evaluate and review policy, practice and performance in relation to financial, planning, budget setting and monitoring. It also manages Academy Trust expansion and long-term growth planning and implementation.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

- **Teaching, Learning and Achievement Committee** – this meets at least three times a year and is responsible for strategic monitoring of curriculum, standards and school and Academy Trust improvement in relation to learning outcomes.
- **Audit Committee** – this meets at least once a term and receives reports from the Responsible Officer/internal audit. It is also responsible for looking at best value and scrutiny of external financial and other related audit reports.
- **Local Governing Advisory Committee (individual schools)** – this meets twice a term to monitor, evaluate and review the policy, practice and performance in relation to curriculum planning, target setting and assessment, examinations and parent and pupil welfare.

The following decisions are reserved for 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 of the Board or LGAB, to appoint the CEO and/or CFO, Executive Head teachers and Clerk to the Trustees, to approve the Annual Trust Improvement Plan and budget.

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

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

The CEO and Executive Head teachers, Academy Trust 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 CEO and Executive Head teachers are responsible for the appointment of staff, though appointment panels for teaching posts which always include a Director and/or Local Governor with Safer Recruitment training.

The Chief Executive Officer is the Accounting Officer. The Trust successfully completed the recruitment and appointment of a part time Chief Finance Officer/CFO (Certified Chartered Accountant) this financial year.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Directors and the Senior Leadership Team comprise the key management personnel in the Academy Trust in charge of directing and controlling, running and operating the Academy Trust on a day to day basis.

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

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

Connected Organisations, including Related Party Relationships

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

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

**AN DARAS MULTI ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

OBJECTIVES AND ACTIVITIES

Objects and Aims

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

The aims of the Academy Trust during the year ended 31 August 2018 are summarised below:

- 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 sites so that it enables pupils to achieve their full potential.
- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care.
- to maximise the number of pupils who achieve/exceed ARE in English/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 operational systems.
- to comply with all appropriate statutory and curriculum requirements.
- to develop the capacity to lead change, and be a lead in the community
- to conduct the business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

A key priority for 2017/18 was to secure the educational value of the Academy Trust to ensure it could offer a wider range of opportunities for improvement across the wider Launceston area. This was in part delivered successfully as evidenced by good OFSTED inspection judgements at Werrington and North Petherwin Schools within the year. Further, a successful SIAMS inspection at Lew Trenchard School was achieved in January 2018. Further priorities for the year were contained in the Academy Trust Improvement Plan 2018 which was available from the Academy Central Office/and MAT website. Improvement focuses identified for this year include:

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Key Priorities 2017/18	Key Pupil Outcomes KPIs	Achieved <i>Red – No</i> <i>Light Green – Partially</i> <i>Dark Green – Yes</i>
Priority A: <i>Continue to improve attainment and progress outcomes for pupils at all Key Stages through effective MAT systems</i>	1. KS1 to KS2 progress above average in half/+ MAT schools	
	2. KS1 and KS2 attainment in line with or above national average in half/+ MAT schools	
Priority B: <i>MAT improvement planning supports effective school improvement planning</i>	3. Improvement planning consistency in format and quality across MAT schools	
	4. Improvement planning and financial planning effectively contributing to improved outcomes for pupils	
	5. Staffing to annual income costs not to exceed 80% for any school	
	6. All priorities within MAT plan successfully met	
Priority C: <i>Revise and strengthen MAT school improvement strategy strands</i>	7. School SEF/data used effectively to identify and intervene on priorities leading to improving standards and consistent progress	
	8. Schools can evidence effective support of MAT resources and expertise to impact on improved outcomes	
Priority D: <i>Trust risk awareness fully informing MAT strategic development</i>	9. Risk registers fully embedded within each school setting ensuring risks are mitigated across the MAT - delivering long term MAT reputational security	
	10. MAT 3 to 5 Year Growth Plan completed, regularly reviewed and actioned as appropriate	
Priority E: <i>Strengthen and extend successful collaboration and network partnerships</i>	11. Impact of school improvement services provided by the MAT to external settings fully evidenced	
	12. Impact of local network partnership working fully evidenced	
Priority F: <i>Finance KPIs</i>	13. All staff costs should be a maximum of 75% of annual income for larger schools (WHA, SSCA, SC) and 80% maximum for smaller schools (LT, NP, W)	
	14. Central costs should be met from a maximum of 5% top slice for all schools	
	15. An allocation of 2.5% of annual income should be contributed by each school to reserve holdings	

Considerable financial investment in Academy Trust infra-structure has been a focus for the year. New financial management systems have been embedded, IT hardware and support has been modernised, and significant premises improvements across the Academy Trust estates has been ongoing. Successful CIF bids has led to a completely new roof at one school and a new Reception classroom currently undergoing build at Windmill Hill Academy.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

School improvement capacity was also strengthened with the successful recruitment of two part time MAT School Improvement Officers during 2017/18 financial year. This provides the Trust with a much-improved ability to strengthen schools both internal and external to the organisation.

Increasing premises costs and unexpected staffing costs led to in-year budget deficits so a major restructuring of teaching support staff roles across three of the larger MAT schools during 2018 was implemented. Prompt action by the MAT Board has ensured the Trust will now be financially sustainable over the next three to five years. Considerable redundancy costs as part of the restructuring process have been incurred in 2017/18 to ensure savings can be made over the longer term. These redundancy costs will be reclaimed in reduced staffing outgoings over the first ten months of the next financial year 2018/19.

Key outline priorities for the upcoming year (2018/19) have been derived from MAT Board self-evaluation using the RSC MAT Capacity Framework Tool and the latest MAT Risk Register. These are set out below:

MAT Key Priorities 2018/19 (All priorities are of equal importance)
Priority A: Continue to improve attainment and progress outcomes for pupils at all Key Stages through effective teaching and learning of writing
Priority B: Develop capacity of future MAT senior leaders through extended middle leadership training
Priority C: Strengthen MAT and Local Governance networking to deliver a shared vision
Priority D: Improve MAT financial and HR structure to deliver effective centralisation of process and service in both operational areas
Priority E: Deliver successful improvement and reputational gain through positive management partnership work with RI schools
Priority F: Deliver planned balanced budgets by completing ongoing staffing restructuring plans across the Trust

Public Benefit

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

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

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

STRATEGIC REPORT

Achievements and Performance

Three Year MAT Expansion Plan

The Academy Trust planned a steady expansion of the number of schools which made up the Academy Trust for 2017/18. This was successfully completed with the integration of Coads Green Primary into the Academy Trust on 1st July 2018. The next phase of the plan is underway with the Academy Trust intending to grow by the addition of another primary school in 2018/19. As part of the 3 to 5-year expansion planning the Board of Directors have ensured 2017/18 saw significant financial investment into the wider Academy Trust infrastructure, school improvement capacity and the much-required longer-term staff restructuring and salary alignment.

TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

The need to improve academic performance at one out of the six schools within the Academy Trust as of September 2017 was also correctly identified as a priority by the Academy Trust board and pro-active financial, staffing, governance and school improvement actions were taken to ensure these outcome needs could be successfully met by end of July 2018.

2018 Academy Trust Data Colour Code Key

Dark Green = Above national benchmarks, Light Green = At or close to national benchmarks, Orange = Below national benchmarks

St Stephens Community Academy (SSCA) Pupil Achievement Results 2018

Headline SSCA achievement results are affected by the inclusion of pupil data from the Area Resource Base (ARB) class providing education of 10 pupils with severe/profound learning needs.

Key Stage 1 Attainment Outcomes (One ARB pupil included in data)

Attainment Level	Reading	Writing	Maths	Phonics (Pass)
Expected+	School: 63% Nat 17: 76%	School: 50% Nat 17: 68%	School: 67% Nat 17: 75%	School: 82% Nat 17: 81%

Key Stage 2 Attainment/Progress Outcomes (Excluding one ARB pupil from data)

Attainment Level	Reading	EGPS	Writing	Maths	Combined Exp+ (R, W, M)
Expected+	School: 71% Nat 18: 75%	School: 76% Nat 18: 78%	School: 73% Nat 18: 78%	School: 79% Nat 18: 76%	School: 66% Nat 18: 64%
Progress	School: -2.2 Lowest 25% of schools nationally		School: -2.2 Lowest 25% of schools nationally	School: -0.3 Middle 20% of schools nationally	

Windmill Hill Academy (WHA) Pupil Achievement Results 2018

Key Stage 1 Attainment Outcomes

Attainment Level	Reading	Writing	Maths	Phonics (Pass)
Expected+	School: 67% Nat 17: 76%	School: 67% Nat 17: 68%	School: 70% Nat 17: 75%	School: 96% Nat 17: 81%

Key Stage 2 Attainment and Progress Outcomes

Attainment Level	Reading	EGPS	Writing	Maths	Combined Exp+ (R, W, M)
Expected+	School: 77% Nat 18: 75%	School: 77% Nat 18: 78%	School: 77% Nat 18: 78%	School: 87% Nat 18: 76%	School: 57% Nat 18: 64%
Progress	School: +0.8 Highest 40% of schools nationally		School: -0.1 Middle 20% of schools nationally	School: +1.2 Highest 40% of schools nationally	

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**TRUSTEES' REPORT (continued)
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North Petherwin (NP) Pupil Achievement Results 2018

Key Stage 1 Attainment Outcomes

Attainment Level	Reading	Writing	Maths	Phonics (Pass)
Expected+ (Warning Small Cohort)	School: 50% Nat 17: 76%	School: 50% Nat 17: 68%	School: 63% Nat 17: 75%:	School: 75% Nat 17: 81%

Key Stage 2 Attainment/Progress Outcomes

Attainment Level	Reading	EGPS	Writing	Maths	Combined Exp+ (R, W, M)
Expected +	School: 80% Nat 18: 75%	School: 70% Nat 18: 78%	School: 80% Nat 18: 78%	School: 80% Nat 18: 76%	School: 70% Nat 18: 64%
Progress (Warning Small Cohort)	School: -1.0 Lowest 40% of schools nationally		School: +0.9 Highest 40% of schools nationally	School: -1.2 Lowest 40% of schools nationally	

Werrington (W) Pupil Achievement Results 2018

Key Stage 1 Attainment Outcomes

Attainment Level	Reading	Writing	Maths	Phonics (Pass)
Expected +	School: 67% Nat 17: 76%	School: 60% Nat 17: 68%	School: 87% Nat 17: 75%:	School: 100% Nat 17: 81%

Key Stage 2 Attainment/Progress Outcomes

Attainment Level	Reading	EGPS	Writing	Maths	Combined Exp+ (R, W, M)
Expected +	School: 75% Nat 18: 75%	School: 75% Nat 18: 78%	School: 75% Nat 18: 78%	School: 75% Nat 18: 76%	School: 75% Nat 18: 64%
Progress (Warning Small Cohort)	School: +3.1 Highest 25% of schools nationally		School: +1.6 Highest 25% of schools nationally	School: +0.6 Highest 40% of schools nationally	

St Catherines (SC) Pupil Achievement Results 2018

Key Stage 1 Attainment Outcomes

Attainment Level	Reading	Writing	Maths	Phonics (Pass)
Expected+	School: 86% Nat 17: 76%	School: 80% Nat 17: 68%	School: 89% Nat 17: 75%:	School: 93% Nat 17: 81%

Key Stage 2 Attainment/Progress Outcomes

Attainment Level	Reading	EGPS	Writing	Maths	Combined Exp+ (R, W, M)
Expected+	School: 70% Nat 18: 75%	School: 70% Nat 18: 78%	School: 70% Nat 18: 78%	School: 70% Nat 18: 76%	School: 53% Nat 18: 64%
Progress	School: -0.3 Middle 20% of schools nationally		School: -1.3 Lowest 25% of schools nationally	School: -0.3 Middle 20% of schools nationally	

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**TRUSTEES' REPORT (continued)
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Low Trenchard (LT) Pupil Achievement Results 2018

Key Stage 1 Attainment Outcomes

Attainment Level	Reading	Writing	Maths	Phonics (Pass)
Expected+ (Warning Small Cohort)	School: 100% Nat 17: 76%	School: 50% Nat 17: 68%	School: 50% Nat 17: 75%	School: 88% Nat 17: 81%

Key Stage 2 Attainment/Progress Outcomes

Attainment Level	Reading	EGPS	Writing	Maths	Combined Exp+ (R, W, M)
Expected+	School: 79% Nat 18: 75%	School: 93% Nat 18: 78%	School: 86% Nat 18: 78%	School: 92% Nat 18: 76%	School: 79% Nat 18: 64%
Progress	School: -1.6 Lowest 25% of schools nationally		School: -1.6 Lowest 25% of schools nationally	School: -0.1 Middle 20% of schools nationally	

Coads Green (CG) Pupil Achievement Results 2018

Key Stage 1 Attainment Outcomes

Attainment Level	Reading	Writing	Maths	Phonics (Pass)
Expected+ (Warning Small Cohort)	School: 60% Nat 17: 76%	School: 40% Nat 17: 68%	School: 60% Nat 17: 75%	School: 100% Nat 17: 81%

Key Stage 2 Attainment/Progress Outcome

Attainment Level	Reading	EGPS	Writing	Maths	Combined Exp+ (R, W, M)
Expected+	School: 70% Nat 18: 75%	School: 50% Nat 18: 78%	School: 30% Nat 18: 78%	School: 50% Nat 18: 76%	School: 20% Nat 18: 64%
Progress (Warning Small Cohort)	School: +3.5 Highest 25% of schools nationally		School: -2.2 Lowest 25% of schools nationally	School: +3.7 Highest 25% of schools nationally	

To ensure that standards are continually assessed, the Academy Trust operates a full programme of internal and external learning quality assurance monitoring with our Academy Trust Improvement Officers providing capacity to drive change. The Academy Trust School Improvement Strategy document defines our approach and pedagogy to this aspect of our work.

Relatively secure pupil standards against national attainment benchmarks by the end of Key Stage 2 by six out of seven academy schools indicates that the Academy Trust has delivered its stated attainment aims and objectives for most of schools within the Academy Trust. All schools - when small cohort criteria are applicable - within the Academy Trust for 2018 are above National Floor Targets as defined by the DfE. Attainment benchmarks at Key Stage 1 were weaker than the previous year so this will be a Academy Trust wide priority for 2018/19. Progress benchmarks at Key Stage 2 were inconsistent in some schools – particularly in writing. Improving these outcomes with a focus on pupil premium group will be a priority for 2018/19.

The Academy Trust has also successfully completed the restructuring of its governance arrangements by completing an extensive internal/external review and consultation of its Local Governance arrangements which has led to revised Schemes of Delegation and Terms of Reference for LGABs. The Academy Trust also completed the successful appointment of a Academy Trust Governance Officer to co-ordinate all levels of governance.

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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, £85,432 was carried forward representing 2.5% of GAG.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers for 2017/18 were 947, an increase of 141 over 2016/17. It is anticipated that this number will continue to be at least stable and may show a small increase in schools with surplus capacity over the next year.

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2017/18 this was 109%, compared to 111% in 2016/17.

Pupil to teacher ratio for 2017/18 was 17:1 compared to 19:1 in 2016/17.

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 ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

During the year ended 31 August 2018, the Academy Trust received total income of £4,609,140 and incurred total expenditure of £5,014,213. The excess of expenditure over income for the year after gains and losses was £3,927.

At 31 August 2018 the net book value of tangible fixed assets was £5,135,276 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 Trust.

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.

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 between 4 and 6 weeks of operating costs - which is approximately a minimum of £300,000. The reason for this is to provide sufficient

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working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance or significant falls in pupil numbers – particularly at the small schools in the Academy Trust. Total free reserves of the Academy Trust amount to £318,344.

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

Investment Policy

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

Principal Risks And Uncertainties

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

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

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

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

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

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

Staffing - the success of the Academy Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning. High quality Performance Management procedures are supporting the continued drive for high achievement outcomes for pupils. Restructuring of staffing roles has been and will continue to be a focus to ensure staffing costs are managed effectively over the next 3 to 5 years.

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

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

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

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 for the foreseeable future. The Trust has mitigated these risks by committing to ongoing staff restructuring, reducing external costs and investing in high quality staff in key performance areas.

The Trustees examine 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 Trust 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.

FUNDRAISING

The Academy Trust carries out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The Academy Trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior Leadership Team level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public from undue pressure to donate.

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 Trust will continue to aim to attract high quality teachers and support staff to deliver its objectives within the framework of its long-term staff role restructuring plans.

The Academy Trust will continue to work towards the expansion plans contained within its 3 to 5-year growth plan. Another primary school is expected to join the Academy Trust in 2018/19 period.

The Academy Trust will continue to grow its infra structure capacity through appropriate investment in systems, staffing and premises. It will use its regularly reviewed Risk Register to mitigate identified risks around budget income, in-year deficits and increasing staff costs being unsustainable.

The Academy Trust as part of its ongoing self-evaluation will review the purpose, Terms of Reference and make up of its Board committees to ensure they remain fit for purpose.

The Academy Trust will continue to work with partner schools to improve the educational opportunities for pupils in the wider community. As part of this commitment to local partnership working the Academy Trust has expansion and business growth plans in operation.

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

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018**

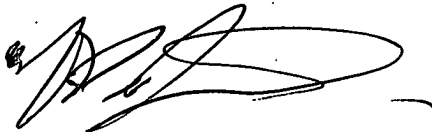
AUDITORS

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, was approved by order of the Board of Trustees, as company directors, on 02/12/18 and signed on the board's behalf by:



**Mr B Jennings
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 Chief Executive Officer, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between An Daras Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
Mr W T Hermon, Chief Executive Officer	3	3
Mrs A Jefferies	2	3
Mrs C Paul	2	3
Mr G Barriball, Vice Chair	2	3
Mrs S Cooksey	2	3
Mrs R Couch	3	3
Mr B Jennings, Chair	3	3
Mrs L Rash	1	1
Mrs N Murphy	1	1
Mr T Woodward	0	1

Key changes in the composition of the Board of Trustees and particular challenges that have arisen for the Board.

- One director resigned to focus on their LA role, but new LA employed Director recruited as replacement;
- One director completed their term of office and was not reappointed for a second term;
- Resignation of one director to allow more time to undertake MAT member duties;
- One vacancy for Diocese of Exeter (EDEN representative) at director level filled by year end;
- Major restructuring of support staff across MAT schools was a major challenge successfully managed to deliver long term financial sustainability.

Governance Review

- Following internal MAT review new Local Governance Advisory Body Terms of References and Schemes of Delegation have been approved in year and implemented to start from September 2018;
- New Academy Trust Governance Officer appointed to co-ordinate all levels of governance procedures, responsibilities and record keeping.

Ongoing training for directors has been completed starting – training on budget monitoring, safeguarding and MAT self-review were completed in the year 2017-18

There is an Audit Sub-Committee of the main Board of Trustees - receives reports from the Responsible Officer/internal audit. It is also responsible for looking at best value and scrutiny of external financial and other related audit reports

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

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs A Jefferies	3	3
Mr W T Hermon	3	3
Mr B Jennings	2	3
Mrs C Paul	2	3
Mrs L Rash	1	1
Mrs R Couch	2	3

There is an Finance and Strategic Development Sub-Committee of the main Board of Trustees - to monitor, evaluate and review policy, practice and performance in relation to financial, planning, budget setting and monitoring. It also manages MAT expansion and long-term growth planning and implementation.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr W T Hermon	3	3
Mr G Barriball	2	3
Mrs R Couch	2	3
Mrs S Cooksey	3	3
Mr B Jennings	2	3

REVIEW OF VALUE FOR MONEY

The MAT has prioritised the following areas to achieve best value this year. The main aim has been to ensure the Academy Trust Central Team and School Improvement Team infra-structure and system growth impacting positively on the quality of education and the delivery of a better than average progress offer for all pupils.

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

Considering allocation and targeting of resources – Effective use of resources to ensure they are supporting effective school improvement and therefore pupils learning progress has been a priority. Allocation of resources to central personnel to boost school improvement services and effectiveness has been delivered to benefit the MATS ability to raise outcome standards.

Deploying staff effectively - staffing arrangements reviewed to ensure high accountability, responsibility and impact efficiency and therefore best value. Consideration of staff retention of highly skilled and valuable staff members as evidenced by the newly developed role of the MAT KS1 Improvement Officer and the MAT CFO role.

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

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

- Value for money purchasing.
- Reviewing controls and managing risk.
- Considering allocation/targeting/use of resources.
- Not allocating time/resources to areas where few improvements can be achieved.
- Making comparisons with similar Academies using data provided by the ESFA and the Government.
- Challenging proposals and examining their effectiveness and efficiency.
- Deploying staff effectively.

GOVERNANCE STATEMENT (continued)

- Reviewing quality of curriculum provision and quality of teaching.
- Reviewing quality of children's learning to enable children to achieve nationally expected progress.
- Outlining procedures for accepting best value quotes, noting that this is not necessarily the cheapest quote.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in An Daras Multi Academy Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 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 Finance and Strategic Development Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Cornwall Council LFS Team as internal auditor.

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

- Testing of payroll
- Testing of purchases
- Testing of income
- Testing of the accounting system

On a termly basis, the auditor reports to the Board of Trustees through the Audit Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

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

Approved by order of the members of the Board of Trustees on 03/12/18 and signed on their behalf, by:



**Mr B Jennings
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 & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

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 2017.

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



**Mr W Hermon
Accounting Officer**

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- 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 ESFA/DfE have been applied for the purposes intended.

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

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



Mr B Jennings
Chair of Trustees

Date: 03/12/18

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

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

OPINION

We have audited the financial statements of An Daras Multi Academy Trust (the 'Academy Trust') for the year ended 31 August 2018 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

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

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

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

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

misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

USE OF OUR REPORT

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

Bishop Fleming LLP

Nathan Coughlin FCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: *20 December 2018*

**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 & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 18 September 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by An Daras Multi Academy Trust during the year 1 September 2017 to 31 August 2018 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 the ESFA 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 the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than An Daras Multi Academy Trust and the ESFA, 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 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the 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 & SKILLS FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Bishop Fleming LLP

Nathan Coughlin FCA (Reporting Accountant)

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

Date: *20 December 2018*

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

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018

		Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
	Note					
INCOME FROM:						
Donations & capital grants:						
Transfer from Local Authority on conversion	2	(6,884)	(75,000)	16,178	(65,706)	(49,246)
Other donations and capital grants	2	18,362	49,636	45,256	113,254	651,902
Charitable activities	3	393,646	4,114,123	-	4,507,769	4,010,993
Other trading activities	4	53,296	-	-	53,296	13,016
Investments	5	527	-	-	527	455
TOTAL INCOME		458,947	4,088,759	61,434	4,609,140	4,627,120
EXPENDITURE ON:						
Raising funds		8,995	-	-	8,995	11,035
Charitable activities		353,920	4,527,071	124,227	5,005,218	4,597,239
TOTAL EXPENDITURE	6	362,915	4,527,071	124,227	5,014,213	4,608,274
NET INCOME /						
(EXPENDITURE) BEFORE						
TRANSFERS						
Transfers between Funds	19	96,032 (210,120)	(438,312) 204,431	(62,793) 5,689	(405,073) -	18,846 -
NET INCOME /						
(EXPENDITURE) BEFORE						
OTHER RECOGNISED						
GAINS AND LOSSES						
		(114,088)	(233,881)	(57,104)	(405,073)	18,846
Actuarial gains on defined benefit pension schemes	25	-	409,000	-	409,000	345,000
NET MOVEMENT IN FUNDS		(114,088)	175,119	(57,104)	3,927	363,846
RECONCILIATION OF FUNDS:						
Total funds brought forward		347,000	(1,079,318)	5,671,836	4,939,518	4,575,672
TOTAL FUNDS CARRIED FORWARD		232,912	(904,199)	5,614,732	4,943,445	4,939,518

The notes on pages 29 to 54 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 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Intangible assets	14		11,166		22,333
Tangible assets	15		5,135,276		5,175,335
			<u>5,146,442</u>		<u>5,197,668</u>
CURRENT ASSETS					
Stocks		22,906		-	
Debtors	16	228,589		648,919	
Cash at bank and in hand		961,379		755,168	
		<u>1,212,874</u>		<u>1,404,087</u>	
CREDITORS: amounts falling due within one year	17	(338,871)		(490,237)	
NET CURRENT ASSETS			<u>874,003</u>		<u>913,850</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,020,445</u>		<u>6,111,518</u>
Defined benefit pension scheme liability	25		(1,077,000)		(1,172,000)
NET ASSETS			<u><u>4,943,445</u></u>		<u><u>4,939,518</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	19	172,801		92,682	
Fixed asset funds	19	5,614,732		5,671,836	
		<u>5,787,533</u>		<u>5,764,518</u>	
Restricted funds excluding pension liability					
Pension reserve		(1,077,000)		(1,172,000)	
Total restricted funds			<u>4,710,533</u>		<u>4,592,518</u>
Unrestricted funds	19		<u>232,912</u>		<u>347,000</u>
TOTAL FUNDS			<u><u>4,943,445</u></u>		<u><u>4,939,518</u></u>

The financial statements on pages 26 to 54 were approved by the Trustees, and authorised for issue, on 03/12/18 and are signed on their behalf, by:



Mr B Jennings
Chair of Trustees

The notes on pages 29 to 54 form part of these financial statements.

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	21	(80,508)	173,768
Cash flows from investing activities:			
Interest received		527	455
Purchase of tangible fixed assets		(73,001)	(272,207)
Capital grants from DfE Group		359,193	245,851
Purchase of intangible assets		-	(33,500)
Net cash provided by/(used in) investing activities		286,719	(59,401)
Cash transferred on conversion to an academy trust:			
Cash inflows from conversion		-	32,754
Net cash provided by financing activities		-	32,754
Change in cash and cash equivalents in the year		206,211	147,121
Cash and cash equivalents brought forward		755,168	608,047
Cash and cash equivalents carried forward	22	961,379	755,168

The notes on pages 29 to 54 form part of these financial statements.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

1.2 GOING CONCERN

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

1.3 FUND ACCOUNTING

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.4 INCOME

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

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

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

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

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

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

1.5 EXPENDITURE

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

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

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

All expenditure is inclusive of irrecoverable VAT.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.6 INTANGIBLE FIXED ASSETS AND AMORTISATION

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Computer software	- 3 years straight line
-------------------	-------------------------

1.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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

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

Freehold property	- 2% straight line, land not depreciated
Leasehold property	- 2% straight line, land 125 years
Furniture and fixtures	- 20% straight line
Computer equipment	- 33% straight line

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use.

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

Where the Academy Trust has been granted use of the school buildings from the Diocese under Supplemental Agreements, the Academies Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Diocese. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the rateable value of the buildings.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.8 STOCKS

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

1.9 DEBTORS

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

1.10 CASH AT BANK AND IN HAND

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

1.11 LIABILITIES AND PROVISIONS

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

1.12 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.13 TAXATION

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.14 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method.

As stated in note 25, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.15 OPERATING LEASES

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

1.16 CONVERSION TO AN ACADEMY TRUST

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

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

Land and Buildings have not been included as fixed assets as the Academy Trust does not have control over these. Other fixed assets have been included at amounts valued by the Trustees. Pension assets and liabilities have been valued by Hymans Robertson LLP.

Further details of the transaction are set out in note 23.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

1. ACCOUNTING POLICIES (continued)

1.17 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Transfer from Local Authority on conversion	(6,884)	(75,000)	16,178	(65,706)	(49,246)
Donations	18,362	49,636	-	67,998	32,957
Capital Grants	-	-	45,256	45,256	618,945
Subtotal	18,362	49,636	45,256	113,254	651,902
	11,478	(25,364)	61,434	47,548	602,656
Total 2017	45,256	(61,545)	618,945	602,656	

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

3. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Education	147,352	4,114,123	4,261,475	3,816,206
Nursery	246,294	-	246,294	194,787
	<u>393,646</u>	<u>4,114,123</u>	<u>4,507,769</u>	<u>4,010,993</u>
Total 2017	<u>309,498</u>	<u>3,701,495</u>	<u>4,010,993</u>	

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant	-	3,338,320	3,338,320	3,066,901
Start up Grants	-	25,000	25,000	2,452
Other DfE Group grants	-	508,092	508,092	445,455
	<u>-</u>	<u>3,871,412</u>	<u>3,871,412</u>	<u>3,514,808</u>
Other Government grants				
High Needs	-	211,535	211,535	169,686
Other Government grants	-	8,434	8,434	12,301
	<u>-</u>	<u>219,969</u>	<u>219,969</u>	<u>181,987</u>
Other funding				
Internal catering income	55,010	-	55,010	45,688
Sales to students	40,663	-	40,663	23,115
Other	51,679	22,742	74,421	50,608
	<u>147,352</u>	<u>22,742</u>	<u>170,094</u>	<u>119,411</u>
	<u>147,352</u>	<u>4,114,123</u>	<u>4,261,475</u>	<u>3,816,206</u>
Total 2017	<u>114,711</u>	<u>3,701,495</u>	<u>3,816,206</u>	

AN DARAS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Lettings	420	-	420	600
Fees received	24,050	-	24,050	12,416
Other income	28,826	-	28,826	-
	<u>53,296</u>	<u>-</u>	<u>53,296</u>	<u>13,016</u>
Total 2017	<u>13,016</u>	<u>-</u>	<u>13,016</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	527	-	527	455
	<u>527</u>	<u>-</u>	<u>527</u>	<u>455</u>
Total 2017	<u>455</u>	<u>-</u>	<u>455</u>	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on raising funds					
Direct costs	5,707	-	3,288	8,995	11,035
Support costs	-	-	-	-	-
Education:					
Direct costs	3,055,507	105,593	262,747	3,423,847	3,224,536
Support costs	591,833	337,446	441,503	1,370,782	1,221,746
Nursery:					
Direct costs	195,363	-	2,064	197,427	143,070
Support costs	4,060	8,037	1,065	13,162	7,887
	<u>3,852,470</u>	<u>451,076</u>	<u>710,667</u>	<u>5,014,213</u>	<u>4,608,274</u>
Total 2017	<u>3,449,088</u>	<u>383,717</u>	<u>775,469</u>	<u>4,608,274</u>	

AN DARAS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

7. DIRECT COSTS

	Education £	Nursery £	Total 2018 £	Total 2017 £
Pension finance costs	17,011	-	17,011	21,000
Educational supplies	135,778	2,054	137,832	119,344
Staff development	39,605	10	39,615	56,557
Other costs	178,941	-	178,941	123,746
Supply teachers	27,853	-	27,853	36,464
Wages and salaries	2,276,537	164,538	2,441,075	2,247,377
National insurance	187,636	6,287	193,923	169,410
Pension cost	477,701	24,538	502,239	512,292
Depreciation	82,785	-	82,785	81,416
	<u>3,423,847</u>	<u>197,427</u>	<u>3,621,274</u>	<u>3,367,606</u>
Total 2017	<u>3,224,536</u>	<u>143,070</u>	<u>3,367,606</u>	

8. SUPPORT COSTS

	Education £	Nursery £	Total 2018 £	Total 2017 £
Pension finance costs	14,989	-	14,989	6,000
Recruitment and support	4,323	-	4,323	5,231
Maintenance of premises and equipment	93,857	4,991	98,848	97,915
Cleaning	29,552	-	29,552	18,130
Rent and rates	108,414	2,383	110,797	58,120
Energy costs	53,279	-	53,279	54,537
Insurance	52,326	663	52,989	50,705
Security and transport	15,861	-	15,861	17,827
Catering	163,522	760	164,282	180,791
Technology costs	91,519	-	91,519	74,476
Office overheads	27,674	305	27,979	42,606
Legal and professional	49,051	-	49,051	41,201
Bank interest and charges	222	-	222	160
Governance	32,918	-	32,918	38,966
Wages and salaries	377,096	3,305	380,401	334,135
National insurance	19,251	376	19,627	16,898
Pension cost	195,486	379	195,865	132,512
Depreciation	41,442	-	41,442	59,423
	<u>1,370,782</u>	<u>13,162</u>	<u>1,383,944</u>	<u>1,229,633</u>
Total 2017	<u>1,221,746</u>	<u>7,887</u>	<u>1,229,633</u>	

AN DARAS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. NET INCOME/(EXPENDITURE)

	2018	2017
	£	£
Depreciation of tangible fixed assets:	-	-
- owned by the Academy Trust	113,060	129,672
Amortisation of intangible fixed assets	11,167	11,167
Auditors' remuneration - audit	10,350	9,650
Auditors' remuneration - other services	4,520	9,965
Operating lease rentals	<u>27,012</u>	<u>17,447</u>

AN DARAS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	2,827,183	2,581,512
Social security costs	213,550	186,308
Pension schemes	698,104	644,804
	<u>3,738,837</u>	<u>3,412,624</u>
Agency supply teacher costs	27,853	36,464
Staff restructuring costs	85,780	-
	<u>3,852,470</u>	<u>3,449,088</u>

Staff restructuring costs comprise:

	2018 £	2017 £
Redundancy payments	85,780	-

The total redundancy payments figure is made up of 22 payments throughout the year, with the largest payment being £22,288.

b. Staff numbers

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

	2018 No.	2017 No.
Teachers	55	44
Educational Support	88	68
Administration and Clerical	18	11
Management	2	2
	<u>163</u>	<u>125</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	46	44
Educational Support	49	45
Administration and Clerical	9	7
Management	2	2
	<u>106</u>	<u>98</u>

AN DARAS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

10. STAFF COSTS (continued)

c. Higher paid staff

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	2018 No.	2017 No.
In the band £60,001 - £70,000	0	1
In the band £70,001 - £80,000	1	0

d. Key management personnel

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer's National Insurance contributions and employer pension contributions) received by key management personnel for their services to the Academy Trust was £143,572 (2017: £147,053).

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

11. CENTRAL SERVICES

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

- Finance and administration
- Insurance brokering
- Governance and clerking support
- Premises management and compliance
- Human Resources management
- School improvement services
- Centralised leadership

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:

	2018 £	2017 £
St Stephens Community Academy	67,950	82,797
Windmill Hill Academy	50,905	71,380
Werrington Primary School	14,183	22,658
North Petherwin Primary School	13,045	24,339
St Catherine's C of E School	51,835	80,448
Lew Trenchard C of E Primary School	19,886	3,134
	<u>217,804</u>	<u>284,756</u>
Total	<u><u>217,804</u></u>	<u><u>284,756</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

12. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy Trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: W Hermon: Remuneration £65,000 - £70,000 (2017: £65,000 - £70,000) and employers pension contributions of £10,000 - £15,000 (2017: £10,000 - £15,000); C Paul: Remuneration £10,000 - £15,000 (2017: £10,000 - £15,000) and employers pension contributions of £0 - £5,000 (2017: £0 - £5,000) and T Woodward: Remuneration £5,000 - £10,000 (2017: nil) and employers pension contributions of £0 - £5,000 (2017: nil).

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017: £52 to 1 Trustees).

13. 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 Trust business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2018 was £1,148 (2017: £1,115).

14. INTANGIBLE FIXED ASSETS

	Software £
COST	
At 1 September 2017 and 31 August 2018	33,500
AMORTISATION	
At 1 September 2017	11,167
Charge for the year	11,167
At 31 August 2018	22,334
CARRYING AMOUNT	
At 31 August 2018	11,166
At 31 August 2017	22,333

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15. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold property £	Furniture and fixtures £	Computer equipment £	Total £
COST					
At 1 September 2017	3,752,254	1,592,931	53,219	194,099	5,592,503
Additions	61,862	6,615	814	3,710	73,001
At 31 August 2018	3,814,116	1,599,546	54,033	197,809	5,665,504
DEPRECIATION					
At 1 September 2017	-	237,483	36,766	142,919	417,168
Charge for the year	53,362	29,423	8,859	21,416	113,060
At 31 August 2018	53,362	266,906	45,625	164,335	530,228
NET BOOK VALUE					
At 31 August 2018	3,760,754	1,332,640	8,408	33,474	5,135,276
At 31 August 2017	3,752,254	1,355,448	16,453	51,180	5,175,335

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

16. DEBTORS

	2018 £	2017 £
VAT recoverable	45,339	96,582
Other debtors	92	-
Prepayments and accrued income	183,158	552,337
	<u>228,589</u>	<u>648,919</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Trade creditors	52,483	234,501
Other taxation and social security	54,477	48,664
Other creditors	82,794	59,841
Accruals and deferred income	149,117	147,231
	<u>338,871</u>	<u>490,237</u>

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17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (continued)

	2018 £	2017 £
DEFERRED INCOME		
Deferred income at 1 September 2017	59,270	38,643
Resources deferred during the year	72,726	59,270
Amounts released from previous years	(59,270)	(38,643)
	<u>72,726</u>	<u>59,270</u>
Deferred income at 31 August 2018	<u>72,726</u>	<u>59,270</u>

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

18. FINANCIAL INSTRUMENTS

	2018 £	2017 £
Financial assets measured at amortised cost	<u>156,987</u>	<u>529,183</u>
Financial liabilities measured at amortised cost	<u>128,874</u>	<u>322,462</u>

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

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

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19. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
DESIGNATED FUNDS						
Central office facilities	20,000	-	(20,000)	-	-	-
GENERAL FUNDS						
General Funds	327,000	458,947	(342,915)	(210,120)	-	232,912
Total Unrestricted funds	347,000	458,947	(362,915)	(210,120)	-	232,912
RESTRICTED FUNDS						
General Annual Grant	24,300	3,358,595	(3,501,894)	204,431	-	85,432
Start up Grant	-	25,000	(21,212)	-	-	3,788
High Needs	-	211,535	(211,535)	-	-	-
Pupil Premium	49,553	298,449	(281,608)	-	-	66,394
Sports and PE Grant	18,829	101,930	(103,572)	-	-	17,187
UIFSM	-	87,438	(87,438)	-	-	-
Other	-	80,812	(80,812)	-	-	-
Pension reserve	(1,172,000)	(75,000)	(239,000)	-	409,000	(1,077,000)
	(1,079,318)	4,088,759	(4,527,071)	204,431	409,000	(904,199)
RESTRICTED FIXED ASSET FUNDS						
Transfers on conversion	4,767,695	16,178	(79,988)	-	-	4,703,885
GAG/Other fixed assets	90,401	11,682	(24,670)	5,689	-	83,102
DfE/ESFA Capital grants	234,795	33,574	(12,023)	-	-	256,346
Condition Improvement Fund	578,945	-	(7,546)	-	-	571,399
	5,671,836	61,434	(124,227)	5,689	-	5,614,732
Total restricted funds	4,592,518	4,150,193	(4,651,298)	210,120	409,000	4,710,533
Total of funds	4,939,518	4,609,140	(5,014,213)	-	409,000	4,943,445

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

General Annual Grant - Income from the ESFA which is to be used for the normal running costs of the Academy Trust, 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 Trust.

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

Pupil Premium - Pupil Premium represents funding received from the ESFA for children that qualify for

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19. STATEMENT OF FUNDS (continued)

free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers.

Sports & PE Grant – This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

UIFSM - This represents funding for Universal Infant Free School Meals.

Pension reserve - This represents the Academy Trust'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.

GAG/Other, DfE/ESFA Capital grants, Condition Improvement Fund - This represents funding from the DfE/ESFA and other restricted sources to cover the maintenance and purchase of the Academy Trust's assets. The balance equals the net book value of assets plus any unspent amounts.

Central office facilities - The trustees reviewed the future plans of the Academy Trust and set aside funds for the contribution towards Academy Trust central office facilities which has been fully spent in the year.

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 2018.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
St Stephens Community Academy	212,207	153,511
Windmill Hill Academy	75,768	111,393
Werrington Primary School	37,385	46,639
North Petherwin Primary School	1,576	36,379
St Catherine's C of E School	(30,541)	24,051
Lew Trenchard C of E Primary School	84,707	66,413
Coad's Green Primary School	(11,520)	-
Central	36,131	1,296
Total before fixed asset fund and pension reserve	405,713	439,682
Restricted fixed asset fund	5,614,732	5,671,836
Pension reserve	(1,077,000)	(1,172,000)
Total	4,943,445	4,939,518

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19. STATEMENT OF FUNDS (continued)

The following academies are carrying net deficits on their portion of the funds as follows:

Name of academy	Amount of deficit £
St Catherine's C of E School	(30,541)
Coad's Green Primary School	(11,520)

St Catherine's C of E School – Deficit position as a result of high staff costs due to inherited staffing structure, in year additional staffing to meet high needs pupils and building repair requirements. The Academy Trust has addressed this for the 18/19 year by completing formal staff restructuring in the Summer term of 17/18 which has significantly reduced annual staffing costs and will lead to a surplus budget position at year end.

Coad's Green Primary School - On entering the Trust at the end of the Summer Term 2018, the school had an unsustainable staffing cost structure in place. The Academy Trust has addressed this from September 2018 by completing a phased series of staff structure changes in administrative and support areas to ensure the school can operate within budget for the financial year. The Trust has balanced the impact of this process carefully to ensure this 'Requires Improvement' school maintains effective staffing resources to deliver much needed improvements in outcomes.

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2018 £	Total 2017 £
St Stephens Community Academy	789,023	122,868	81,681	164,645	1,158,217	1,221,735
Windmill Hill Academy	671,045	107,546	55,813	102,655	937,059	884,315
Werrington Primary School	218,557	42,136	30,829	58,100	349,622	336,711
North Petherwin Primary School	240,219	44,218	35,508	63,869	383,814	400,231
St Catherine's C of E School	709,299	75,833	57,857	160,645	1,003,634	984,924
Lew Trenchard C of E Primary School	291,642	47,443	45,625	100,648	485,358	168,150
Coad's Green Primary School	42,667	7,210	2,178	29,677	81,732	-
Central	75,793	78,421	7,282	89,960	251,456	237,369
	3,038,245	525,675	316,773	770,199	4,650,892	4,233,435

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19. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Central office facilities	20,000	-	-	-	-	20,000
GENERAL FUNDS						
General Funds	543,762	368,225	(405,062)	(179,925)	-	327,000
RESTRICTED FUNDS						
General Annual Grant	90,108	3,066,901	(3,198,070)	65,361	-	24,300
High Needs	-	169,686	(169,686)	-	-	-
Pupil Premium	43,636	313,629	(307,712)	-	-	49,553
Sports and PE Grant	-	48,640	(29,811)	-	-	18,829
UIFSM	-	79,553	(79,553)	-	-	-
Other	-	43,541	(43,541)	-	-	-
Pension reserve	(1,201,000)	(82,000)	(234,000)	-	345,000	(1,172,000)
	<u>(1,067,256)</u>	<u>3,639,950</u>	<u>(4,062,373)</u>	<u>65,361</u>	<u>345,000</u>	<u>(1,079,318)</u>
RESTRICTED FIXED ASSET FUNDS						
Transfers on conversion	4,849,492	-	(81,797)	-	-	4,767,695
GAG/Other fixed assets	11,395	-	(35,558)	114,564	-	90,401
DfE/ESFA Capital grants	183,830	33,343	(16,827)	34,449	-	234,795
Capital funds on transfer	34,449	-	-	(34,449)	-	-
Condition Improvement Fund	-	585,602	(6,657)	-	-	578,945
	<u>5,079,166</u>	<u>618,945</u>	<u>(140,839)</u>	<u>114,564</u>	<u>-</u>	<u>5,671,836</u>
Total restricted funds	<u>4,011,910</u>	<u>4,258,895</u>	<u>(4,203,212)</u>	<u>179,925</u>	<u>345,000</u>	<u>4,592,518</u>
Total of funds	<u>4,575,672</u>	<u>4,627,120</u>	<u>(4,608,274)</u>	<u>-</u>	<u>345,000</u>	<u>4,939,518</u>

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20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Intangible fixed assets	-	-	11,166	11,166
Tangible fixed assets	-	-	5,135,276	5,135,276
Current assets	232,912	511,672	468,290	1,212,874
Creditors due within one year	-	(338,871)	-	(338,871)
Pension scheme liability	-	(1,077,000)	-	(1,077,000)
	<u>232,912</u>	<u>(904,199)</u>	<u>5,614,732</u>	<u>4,943,445</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Intangible fixed assets	22,333	-	22,333	22,333
Tangible fixed assets	(25,823)	-	5,175,335	5,175,335
Current assets	350,490	582,919	470,678	1,404,087
Creditors due within one year	-	(490,237)	-	(490,237)
Provisions for liabilities and charges	-	(1,172,000)	-	(1,172,000)
	<u>347,000</u>	<u>(1,079,318)</u>	<u>5,668,346</u>	<u>4,939,518</u>

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

	2018 £	2017 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(405,073)	18,846
Adjustment for:		
Depreciation charges	124,227	140,839
Interest received	(527)	(455)
Increase in stocks	(22,906)	-
Decrease/(increase) in debtors	429,624	(128,094)
(Decrease)/increase in creditors	(151,366)	105,237
Capital grants from DfE and other capital income	(359,193)	(245,851)
Defined benefit pension scheme obligation inherited	75,000	82,000
Defined benefit pension scheme cost less contributions payable	207,000	207,000
Defined benefit pension scheme finance cost	32,000	27,000
Assets and liabilities from local authority on conversion	(9,294)	(32,754)
Net cash (used in)/provided by operating activities	<u>(80,508)</u>	<u>173,768</u>

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22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash at bank and in hand	961,379	755,168
	<u>961,379</u>	<u>755,168</u>

23. CONVERSION TO AN ACADEMY TRUST

On 1 July 2018 Coad's Green Primary School 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 as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of financial activities as Donations - transfer from local authority on conversion

The following 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.

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Budget surplus/(deficit) on LA funds	(6,884)	-	16,178	9,294
LGPS pension surplus/(deficit)	-	(75,000)	-	(75,000)
	<u>(6,884)</u>	<u>(75,000)</u>	<u>16,178</u>	<u>(65,706)</u>
Net assets/(liabilities)	<u>(6,884)</u>	<u>(75,000)</u>	<u>16,178</u>	<u>(65,706)</u>

The above net liabilities include £Nil that were transferred as cash.

24. CAPITAL COMMITMENTS

At 31 August 2018 the Academy Trust had capital commitments as follows:

	2018 £	2017 £
Contracted for but not provided in these financial statements	409,782	-
	<u>409,782</u>	<u>-</u>

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 and Devon County Council. Both are multi-employer Defined Benefit Pension Schemes.

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

Contributions amounting to £59,106 were payable to the schemes at 31 August 2018 (2017: 57,059) and are included within creditors.

25. PENSION COMMITMENTS (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £268,605 (2017: £242,416).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £330,000 (2017: £273,000), of which employer's contributions totalled £271,000 (2017: £216,000) and employees' contributions totalled £59,000 (2017: £57,000). The agreed contribution rates for future years are 15.4% for employers and 5.5 - 12.5% for employees.

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25. PENSION COMMITMENTS (continued)

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

Cornwall County Council

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.40 %	2.50 %
Rate of increase for pensions in payment / inflation	2.30 %	2.40 %

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

	2018	2017
Retiring today		
Males	22.1	22.1
Females	24.5	24.5
Retiring in 20 years		
Males	24.0	24.0
Females	26.4	26.4

Devon County Council

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

	2018	2017
Discount rate for scheme liabilities	2.65 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %

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

	2018	2017
Retiring today		
Males	23.5	23.4
Females	25.6	25.5
Retiring in 20 years		
Males	25.8	25.7
Females	28.0	27.9

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25. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2018 £	Fair value at 31 August 2017 £
Equities	1,095,410	774,140
Gilts	910,870	675,660
Property	156,630	115,340
Cash and other liquid assets	23,090	48,860
Other	23,000	17,000
	<u>2,209,000</u>	<u>1,631,000</u>
Total market value of assets	<u>2,209,000</u>	<u>1,631,000</u>

The actual return on scheme assets was £103,000 (2017: £85,000).

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

	2018 £	2017 £
Current service cost	(442,000)	(423,000)
Past service cost	(36,000)	-
Interest income	46,000	29,000
Interest cost	(78,000)	(56,000)
	<u>(510,000)</u>	<u>(450,000)</u>
Total	<u>(510,000)</u>	<u>(450,000)</u>

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

	2018 £	2017 £
Opening defined benefit obligation	2,857,000	2,481,000
Transferred in on academies joining the trust	172,000	133,000
Current service cost	442,000	423,000
Interest cost	78,000	56,000
Employee contributions	59,000	57,000
Actuarial losses	(352,000)	(289,000)
Benefits paid	(6,000)	(4,000)
Past service costs	36,000	-
	<u>3,286,000</u>	<u>2,857,000</u>
Closing defined benefit obligation	<u>3,286,000</u>	<u>2,857,000</u>

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25. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Opening fair value of scheme assets	1,685,000	1,280,000
Transferred in on academies joining the trust	97,000	51,000
Interest income	46,000	29,000
Actuarial gains	57,000	56,000
Employer contributions	271,000	216,000
Employee contributions	59,000	57,000
Benefits paid	(6,000)	(4,000)
	<u>2,209,000</u>	<u>1,685,000</u>
Closing fair value of scheme assets		

26. OPERATING LEASE COMMITMENTS

At 31 August 2018 the total of the Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
AMOUNTS PAYABLE:		
Within 1 year	33,785	21,429
Between 1 and 5 years	100,394	41,007
After more than 5 years	257,833	-
Total	<u>392,012</u>	<u>62,436</u>

During the year, the Academy Trust entered into a lease agreement for the lease of the land and buildings at Coad's Green Primary School, the lease terms were £13k per annum for a term of 25 years.

27. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 12.

Owing to the nature of the Academy Trust 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 Trustees have an interest. All transactions involving such a organisations are conducted in accordance with the requirements of the AFH and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

28. CONTROLLING PARTY

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

29. GENERAL INFORMATION

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

30. 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.