



**Rochester Diocesan Multi-Academy Education Trust**  
**(A company limited by guarantee)**

**TRUSTEES' ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 AUGUST 2017**

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**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**CONTENTS TO THE FINANCIAL STATEMENTS**

	<b>Page</b>
Reference and Administrative Details	3
Trustees' Report	4 - 12
Governance Statement	13 – 14
Statement on Regularity, Propriety and Compliance	15
Statement of Trustees' Responsibilities	16
Independent Auditor's Report on the Financial Statements	17 – 19
Independent Reporting Accountant's Report on Regularity	20 - 21
Statement of Financial Activities	22
Balance Sheet	23
Cash Flow Statement	24
Notes to the Financial Statements	25 - 47

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**CHAIRMAN'S STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Foreword**

On behalf of the Directors of Rochester Diocesan Multi-Academy Education Trust (RDAT), I am pleased to present the Annual Report for the Trust for 2016/17.

In May 2015 the Diocesan Board of Education for the Diocese of Rochester made the decision to focus its resources on growing its school-initiated multi academy trusts in local areas of the diocese, rather than supporting the growth of a diocese-wide MAT. As a result of this strategic decision, the RDAT directors determined that RDAT will not take on any further academies, and, as and when possible, its remaining academy, Rosherville Church of England Primary Academy ('Rosherville'), will be transferred to other Church of England Trusts. During 2017, there has been considerable dialogue with the Regional Schools Commissioner and Aletheia Anglican Academies Trust ('Aletheia') about transferring Rosherville to that Trust but without final agreement to date.

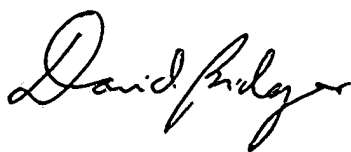
Rosherville, which is located in Northfleet, Kent, joined the Trust in November 2014. This school has required intensive levels of support, new leadership and new governance arrangements in order to tackle and drive up educational standards. Three of the RDAT directors are members of the school's governing body.

The academic results for the academy at the end of Key Stage 2 for the academic years 2014/15, 2015/16 and 2016/17 confirm that considerable progress has been made and the academy has improved under the new leadership arrangements brought in by the Trust. In May 2017, a SIAMS Inspection rated the Academy as outstanding.

However an Ofsted inspection in September 2017 rated the academy as Requiring Improvement. It identified key areas for improvement in learning (especially for those who are the most able and those who have special educational needs and/or disabilities), ironing out inconsistencies in teaching across year groups, strengthening leadership and management and making sure that pupils attend school regularly. Plans have since been drawn up to address these areas as a matter of urgency.

The anticipated entry of West Kingsdown CE Primary School into the Trust was delayed due to difficulties with statutory land transfers to the site and to date these issues remain unresolved. This school will join another Church of England Multi-Academy Education Trust rather than RDAT once the land issues are resolved in principle.

Finally, I would like to take this opportunity to thank my fellow Board members for their work for the Trust over the past year, all our staff engaged directly in education, and our Acting Chief Operations Manager (until he left in August 2017) and his team at the Trust who have supported our work.



**Mr David Bridger**  
**Chair of the RDAT Board**  
**15 December 2017**

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST  
REFERENCE AND ADMINISTRATIVE DETAILS  
FOR THE YEAR ENDED 31 AUGUST 2017**

**Members**

David Bridger  
Incorporated Rochester Diocesan Board of  
Education  
Clive Mansell (resigned 31 July 2017)

**Trustees**

David Bridger (Chair)  
Jean Craig  
Ann-Marie Jefferys  
Martin Robert Gillespie (appointed 23 August  
2017)  
Alex Tear (resigned 10 October 2016)

**Senior Management Team**

Acting Operations Manager and Accounting  
Officer

Alex Tear (until 17 August 2017)

Finance Officer

Toyin Coker

**Registered Office**

Rochester Diocesan Office  
St Nicholas Church  
Boley Hill  
Rochester  
Kent  
ME1 1SL

**Company Registration Number**

8270657 (England and Wales)

**Auditors**

Crowe Clark Whitehill LLP  
Riverside House  
40-46 High Street  
Maidstone  
Kent  
ME14 1JH

**Bankers**

National Westminster Bank  
148 High Street  
Chatham  
Kent  
ME4 4DB

**Solicitors**

Winckworth Sherwood LLP  
Minerva House  
5, Montague Close  
London  
SE1 9BB

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**TRUSTEES REPORT**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees present their Annual Report together with the Financial Statements and Auditor's Report of the Charitable Company for the year ended 31 August 2017. The Annual Report serves the purposes of both a Trustees' Report, and a Directors' Report under Company Law.

The Financial Statements have been prepared in accordance with the accounting policies on pages 25-29 of the Financial Statements, and comply with the Company's Memorandum and Articles of Association, the Companies Act 2006, the requirements of the Statement of Recommended Practice "Accounting and Reporting by Charities" (SORP 2015) and the Academies Accounts Direction 2016 to 2017.

Rochester Diocesan Multi-Academy Education Trust only has one academy - Rosherville Church of England Primary Academy.

## **Structure, Governance and Management**

### **Constitution**

Rochester Diocesan Multi-Academy Education Trust is a company limited by guarantee and is an exempt charity. The Charitable Company's Memorandum and Articles of Association and Funding Agreement are the primary governing documents of the Academy Trust. The Trustees of Rochester Diocesan Multi-Academy Education Trust are also the directors of the Charitable Company for the purposes of Company Law.

Details of the Trustees who served Rochester Diocesan Multi-Academy Education Trust throughout 2016/17 are included in the Reference and Administrative Details on page 3.

### **Members' Liability**

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

### **Trustees' Indemnities**

The Trustees benefit from an indemnity by way of insurance purchased by the Trust, pursuant to Articles 5(p) and 6.3 of the Articles.

### **Method of Recruitment and Appointment or Election of Trustees**

Articles 46 to 49 detail the composition of the Board of Trustees, with their appointment being regulated by Articles 50 to 63.

### **Policies and Procedures Adopted for the Induction and Training of Governors**

Trustees are able to access appropriate and necessary training seminars.

### **Organisation Structure**

The Board of Trustees monitor the performance of the Trust through full board meetings. The Trustees have met 6 times during the accounting period.

Following the Trustees' decision to wind down the Trust, the operations of the Trust were managed by the Acting Operations Manager and subsequently by the Chair of the Trustees.

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**TRUSTEES REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

The Board operates with full integrity and at each meeting there is a clear process in place for any declarations of pecuniary interest which are recorded. Each member of the Board has completed a Declaration of Interest Form.

The Board is responsible for the strategic direction of the organisation and maintaining financial probity. The Acting Operations Manager was responsible for the overall leadership and management and operational matters of the Trust until he resigned in August 2017. Subsequently this is now the responsibility of the Chair of Trustees. Full reports providing updates on the current matters are provided to the Board of Trustees at their meetings.

The Acting Operations Manager was the Accounting Officer for the Trust until he resigned in August 2017. Subsequently one of the directors, Martin Gillespie has taken on this role.

**Arrangements for Setting Pay and Remuneration of Key Management Personnel**

None of the trustees receives any remuneration. Nor did Alex Tear in respect of his roles as Acting Operations Manager and Accounting Officer. The Trust's only school was led by Mrs Denise Williams as Executive Head Teacher until July 2017. She is an independent consultant headteacher and was remunerated through a commercial contract renewed annually, the terms of which were set by the Acting Operations Manager after consultation with the Trustees. Since July 2017, the school is being led by Mrs Justine Roddan who is employed by Aletheia and seconded to the school under a Memorandum of Understanding with Aletheia. The school meets her employment costs as agreed with Aletheia. Her employment costs are subject to the school teachers' pay and conditions as she is required to be a qualified teacher and as such the pay ranges are set by reference to these conditions. In addition, her remuneration reflects her responsibilities and accountability, professional expertise and nature and challenge of the role. The Trust has pay and appraisal policies for other staff in leadership roles.

**Connected Organisations, including Related Party Relationships**

The Rochester Diocesan Multi-Academy Education Trust is a standalone charitable company set up by the Rochester Diocesan Board of Education to sponsor Church of England Academies offering a broad and balanced curriculum in accordance with the principles, practices and tenets of the Church of England. As such it is required to have regard to the advice of the Rochester Diocesan Board of Education (RDBE), which is also one of its corporate members.

**Catchment area and basis for pupil admission**

The catchment area for the trust's only school is within the postcode area of DA11.  
The basis on which its pupils are admitted is

- Special educational needs (pupils with an EHCP) and looked after children
- Sibling link
- Distance

**Objectives and Activities**

**Objects and Aims:**

In May 2015, the Trustees decided to wind down the activities of the Trust and to transfer its academies to other multi-academy trusts.

Whilst the Trust continues to seek to secure a new sponsor for its remaining academy, it also continues to focus on its primary objective which is the advancement of excellent education, care and personal development for all pupils within its academy with an ethos informed by Christian faith.

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**TRUSTEES REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Objectives and Activities (Continued)**

**The Vision of the Trust while it continues to run an academy:**

Educational excellence with a strong Christian ethos where every pupil is able to realise their full potential and is prepared for life.

**The Mission of the Trust while it continues to run an academy is:**

To support and encourage the work of the academy in our Trust promoting Christian distinctiveness and excellent education of children and young people.

**The values by which the Trust operates while it continues to run an academy:**

- To develop a strong culture of professional development amongst our teaching staff as the quality of education in our academy can never exceed the quality of its teachers.
- To promote high quality professional development and encourage mutual support in the pursuit of effective teaching and good student progress
- To make use of the latest research in pedagogy and child development
- To foster, maintain and celebrate Christian distinctiveness in our academy
- To recognise and enable those who often remain invisible, through ethnic or cultural disadvantage, or through disability or poverty
- To ensure our academy has a particular vocation to the least advantaged to enable them through education to change their lives

**The purpose of the Trust while it continues to run an academy:**

The purpose of the Trust while it continues to run an academy is to move this academy towards being good or outstanding and to ensure its rapid improvement.

**As a Trust, the behaviours we expect to see:**

- We encourage strong and capable leaders
- We enable our people to excel to provide outstanding education

**The principles by which we manage the organisation while we continue to run an academy:**

- Openness to build trust, be transparent, sharpen accountability and drive improvement
- We operate a simple efficient low-cost organisation
- We operate an effective & strong governance framework
- Tight control of our resources to achieve economies, efficiencies and effectiveness across our operations

**Objectives, Strategies and Activities:**

While it continues to run an academy, the Trust aims to deliver the best in:

**1. Corporate Governance:**

To ensure that the Board of Trustees acts on behalf of its moral and legal owners in the best interests of the Trust, governing lawfully in accordance with its Articles of Association and having governance arrangements that demonstrate legitimate and visionary leadership, clarity of governing and managerial relationships, effective oversight, adequate support structures for sustainability and to achieve the greatest possible economies.

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**TRUSTEES REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Objectives and Activities (Continued)**

**2. School Improvement - Teaching & Learning:**

To ensure that our one academy provides the very best teaching in order to promote and provide high quality learning for our children and young people and that there is support in place for Teachers to achieve this and make a difference for our pupils.

**3. Continued Professional Development:**

To implement a CPD programme for our academy to ensure that our staff have the right skills to further raise standards deliver good teaching and learning and disseminate good practice to ensure the rapid improvement.

**4. Quality Assurance:**

To ensure that there is a rigorous and robust programme of Quality Assurance that helps to support teachers, build expertise and capacity and raise standards in our academies to deliver positive outcomes for pupils.

**5. Integrated Support & Shared Services while the Trust continues to run an academy:**

To ensure that the Trust has business arrangements that are efficient and effective which enables it to deliver on its commitments to grow, prosper and achieve value for money across all of our operations.

While it continues to run an academy, the Board has agreed to focus on the following priorities:

- School improvement and effectiveness
- Enhancing the governance of the Board of Trustees
- Improving the local governing body to ensure a better performing academy
- Financial management, business efficiencies & effectiveness

**Public Benefit:**

The Directors confirm that the activities of the Trust provide identifiable benefits, namely educational, which are in pursuance to its aims and objectives. This benefit is available to young people aged from 5 to 11 years. Furthermore the Directors confirm that they have complied with their duty to have regard to the guidance on public benefit as published by the Charity Commission.

Pursuant to Section 417(5) (b) of the Companies Act 2006 ("the Act"), the Trust in its activities as an Educational provider undertakes environmentally appropriate activities. Furthermore, its educational business is not environmentally significant. The Trust liaises with its local communities over wide ranging matters but especially with regards to its religious commitments.



**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**TRUSTEES REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

## Strategic Report

### Achievements and Performance

This year the Trust has focused its resources on endeavouring to rapidly improve the educational standards and outcomes for children in the Trust's one primary academy.

We were pleased with our results this year. All results at both Key Stage One and Key Stage Two were above national outcomes with the exception of Reading at Key Stage Two.

#### Early Years Foundation Stage Good Level of Development (GLD) Free School Meals (FSM)

GLD	2015 All	2015 FSM	2016 All	2016 FSM	2017 All	2017 FSM
School	55%	66.7%	63.6%	66.7%	70.0%	75.0%
National	66.3%	51%	69.3%	No data	70.7%	No data

#### Attainment in Phonics Year 1 & 2:

Phonics	2015 All	2015 FSM	2016 All	2016 FSM	2017 All	2017 FSM
Year 1 School	70%	42.9%	57.9%	50%	86.4%	85.7%
Year 1 National	77%	65%	80.6%	No data	81.2%	No data
Year 2 School	0%	0%	50%	50%	88.9%	100%
Year 2 National	66%	No data	66.7%	No data	61.6%	No data

Year 2 – 2017 Attainment	Expected+ All%	Expected+ FSM%	Greater Depth All%	Greater Depth FSM%
Reading				
School	75.0	83.3	15.0	0
National	74.0	No data	25.2	No data
Writing				
School	75.0	83.3	35.0	50.0
National	68.2	No data	15.6	No data
Mathematics				
School	85.0	100.0	25.0	16.7
National	75.1	No data	20.5	No data

Year 6 – 2017 Attainment	Expected+ All	Expected+ FSM	Greater Depth All	Greater Depth FSM
Reading				
School	65	40	10	0
National	71	No data	25	No data
Writing				
School	80	60	20	0
National	76	No data	18	No data
SPAG				
School	80	60	40	10
National	77	No data	31	No data
Mathematics				
School	85	70	35	0
National	75	No data	23	No data
All Subjects				
School	65	40	5	0
National	61	No data	9	No data

**SATs (Statutory Attainment Tests at Year 2 and Year 6) were graded with children achieving as follows:-**

**Expected +: At least in line with Age Related Expectations (ARE)**

**Greater Depth: Above Age Related Expectations (ARE)**

**Free School Meal Pupils (Disadvantaged) (FSM).**

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**TRUSTEES REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Achievements and Performance (continued)**

**Average progress scores – Expected = 0**

Year 6 2016	All	FSM
Reading		
School	+0.9	-2.4
National	0.0	
Writing		
School	-2.9	-1.0
National	0.0	
Maths		
School	+4.2	0.1
National	0.0	

The Trust continues to monitor the performance of its one academy and is working closely with the governing body and leadership team of that academy to ensure that pupil progress and standards of attainment continue to improve.

**Key Performance Indicators**

The Trust undertakes monitoring of both a financial and non-financial nature, as follows:

**Financial:**

- Budget: income and expenditure to actual performance – these are reviewed at least once each term by the Governing Body of Rosherville CoE School and the RDAT Board of directors.
- It is noted that the School's budget in forthcoming years will be under considerable pressure due to government policy on grant income.
- Staff pay as a proportion of income – this is regularly reviewed and for the year end represented 63.61% (2015/16 - 70%) of income.
- Specific income and expenditure items to budget – regular detailed budget reviews

**Non-Financial:**

- Pupil numbers – reviewed by reference to Rosherville's published admission number and local and national demand for places.
- Curriculum – reviewed at Local Governing Body level and through working in partnership with other schools and educational providers.
- Examination/test results – reviewed against local and national statistics published by the Department for Education together with data provided through Raise online.
- Value added – reviewed against local and national statistics published by the Department for Education together with data provided through Raise online.
- Pupil Premium and value for money - reviewed against local and national statistics published by the Department for Education together with data provided through RaiseOnline.
- Facilities – the condition of premises are monitored with and through the local governing body and the necessary bids for funding are made.
- Staff Performance – this is monitored through annual staff appraisal based on a single policy; the Trust ensures that staff performance is monitored and rewarded consistently and effectively.

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**TRUSTEES REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Going Concern**

The Directors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern.

The Directors make this assessment in respect of one year from the date of approval of the financial statements.

It is the Directors intention to gradually wind down the Trust and transfer the remaining academy out to a new sponsor which will be a Church of England Multi-Academy Education Trust. Until this process is complete, the going concern assumption is made on the basis that existing grants provided by the ESFA are not withdrawn. The Trust has received written assurances from the ESFA that the company will not be required to repay any unspent grants which would cause the Trust to become insolvent.

On this basis the Directors believe the Company to be a going concern.

**Financial Review**

The Financial Statements have been prepared on a going concern basis. The Trustees have made an assessment of the potential changes in funding and deem that current and future sources of funding and support to be adequate to meet the future needs of the Trust.

The comparative figures for income and expenditure include the results for St John's Penge which transferred to another academy Trust on 2 May 2016.

Incoming resources for the year ending 31 August 2017 were £ 839,567 (2016 – £1,622,355). A large proportion of the Trust's annual income is from the Education & Skills Funding Agency (ESFA) in the form of recurring and non-recurring grants. The grants are restricted for particular purposes. The grants and the associated expenditure are shown as restricted funds in the Statement of Financial Activities. The total amount received from the ESFA in the year was £765,663 comprising Capital grants of £36,041 and DfE/ESFA revenue grants of £729,622 (2016 - £1,509,578).

Resources expended for the year ending 31 August 2017 were £755,106 (2016 -£1,677,730 excluding the impact of the St John's transfer out) before a pension surplus/(deficit) of £80,000 (2016: (£98,000)). All of the Trust's expenditure relates to its educational operations; this directly links to the Trust's principal activity, objectives and aims of 2016/17. In accordance with SORP 2015, expenditure has been analysed between the cost of generating funds and charitable activities.

The net surplus/(deficit) including the pension surplus/(deficit) is £164,461 (2016 (£23,301)).

At 31 August 2017 the value of current assets were £ 325,335 (2016 – £242,997) and net current assets were £277,104 (2016 - £168,648).

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**TRUSTEES REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Reserves Policy**

The Directors regularly review the reserve levels of the Trust. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves.

After making appropriate enquires, the directors have a reasonable expectation that the 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 Statement of Accounting Policies.

The Trust is committed to using its funds for the learning and development of the children.

As the Trust is currently winding down, it is current policy to ensure that it has sufficient reserves to continue in operation until the remaining school is transferred out of the Trust.

The reserves held by the Trust are disclosed in detail in Note 16, and may be summarised as follows:

	£
Unrestricted funds	(30,655)
Restricted – for the purposes of Education (including grants received for school improvement and environmental improvement)	<u>277,797</u>
<b>Readily available for the MAT</b>	<b>247,142</b>
Restricted fixed asset fund	30,251
Pension reserve	<u>(126,000)</u>
<b>Total reserves</b>	<b><u>151,393</u></b>

**Investment Policy**

Surplus funds are invested in banks or financial institutions which comply with the Charity Commission requirements for charity funds, which seek to provide security of funds and the best possible return in the limited approved market. The current funds are held in instant access accounts in order to support the Trust's main purpose to provide education.

**Principal Risks and Uncertainties**

The Trustees confirm that the major risks to which the Trust is exposed and proposed procedures to mitigate identified risks have been reviewed. The Trustees have ensured that the Trust has an effective system of internal financial control.

The Directors consider the greatest risks to the company are:

- Having sufficient funds to continue to run its remaining school until transferred to another sponsor and then to wind down the trust.
- Failure to continue to improve the performance of the school in the Trust.
- Breach of legislation/regulatory requirements e.g. health and safety/employment legislation/safeguarding.

There are processes in place to mitigate against each risk as follows:

- Having sufficient funds – Projected forward cash flows are monitored regularly and presented to the Board.
- Failure to continue to improve the performance of the school – Monitored regularly by the Board – 3 of its directors attend the Governing Body meetings of Rosherville and received updates from the school's Executive Head Teacher (up to July 2017) and subsequently from the Head of School. The Board also receive reports periodically from an Academy Improvement Adviser.
- Breach of legislation/regulatory requirements – updates from Rosherville's Executive Head Teacher (up to July 2017) and subsequently from the Head of School at Governing Body meetings on any such issues which arise.

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST  
TRUSTEES REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 AUGUST 2017**

**Plans for Future Periods**

In May 2015, the Board of Trustees decided to wind down the activities of the Trust and to transfer its two academies to other multi-academy trusts. St John's, Penge was transferred out on 2 May 2016.

Pending the transfer out of Rosherville, the Trustees will continue to focus on improving the performance of that school.

**Funds held as Custodian Trustee on behalf of others**

The Trust does not act as custodian trustee.

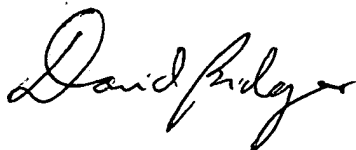
**Auditors**

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's Auditor is 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 auditor is aware of that information.

The auditors, Crowe Clark Whitehill LLP, were re-appointed by the members at the Annual General Meeting on 20 March 2017. The appointment was confirmed by the Trustees.

The Trustees' report, incorporating a Strategic Report, was approved by order of the Board of Trustees, as the company Directors, on 15 December 2017 and signed on its behalf by:



**David Bridger**  
**Chair of the Board**

**Date: 15 December 2017**

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**GOVERNANCE STATEMENT**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Scope of Responsibility**

As Trustees, we acknowledge we have overall responsibility for ensuring that Rochester Diocesan Multi-Academy Education 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.

Until he resigned in August 2017, the board of Trustees delegated the day-to-day responsibility to the Acting Operations Manager, 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 Rochester Diocesan Multi-Academy Education Trust and the Secretary of State for Education. He was also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control. Since August 2017, these responsibilities rest with David Bridger (the Chair of the Board) and Martin Gillespie (Accounting Officer).

**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 have formally met 6 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
David Bridger (Chair)	6	6
Jean Craig	6	6
Ann-Marie Jefferys	6	6

Martin Robert Gillespie was appointed as an additional director on 23 August 2017.

**Review of Value for Money**

As Accounting Officer, the Acting Operations Manager (up to August 2017) and subsequently Martin Gillespie had and have responsibility for ensuring that the academy trust delivers good value in the use of public resources. The Accounting Officers understand 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 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 available. The Accounting Officer for the Trust has delivered improved value for money during the year by delivering:

**Improved Educational Outcomes:**

The Trust's remaining primary academy continues to improve and now exceeds national levels for combined reading, writing, SPAG and maths at the end of Key Stage 2.

The remaining primary academy, using existing resources, has put in place strategies and targeted interventions to improve pupil outcomes. The academy has assessment strategies in place to ensure that the provision in place delivers the expected pupil outcomes thereby providing value for money in relation to the funding the academy receive.

The academy has benefited from the provision of an Academy Improvement Adviser provided by the Trust to monitor and triangulate school based evidence to ensure that self-evaluation is accurate and robust.

**Effective Financial Monitoring and Budgeting:**

Effective financial monitoring at local governing body and trust level has ensured that the original 2016/17 budget for Rosherville was bettered and a revenue surplus of £74,178 was generated. With the support of the Trust, Rosherville has been able to set a small deficit budget for 2017/18 which will be covered by the school's brought forward reserves and which reflects the Trust and academy's strategic imperatives and the school's provision for pupils.

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**GOVERNANCE STATEMENT (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**The Purpose of the System of Internal Control**

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

**Capacity to Handle Risk**

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been in place for the year ending 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trust.

**The Risk and Control Framework**

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

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor.

**Review of Effectiveness**

The Accounting 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 Trust Finance Officer
- the work of the external auditor;
- the financial management and governance process;
- the work of the executive managers within the 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 the external auditor's review of the system of internal control.

Approved by order of the members of the Board of Trustees on 15 December 2017 and signed on its behalf by:



David Bridger  
Chair of Board  
Date: 15 December 2017



Martin Gillespie  
Accounting Officer

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST  
STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE  
FOR THE YEAR ENDED 31 AUGUST 2017**

As Accounting Officer of Rochester Diocesan Multi-Academy Education Trust, I have considered my responsibility to notify the Trust and Governing Body and the Education & Skills Funding Agency of material irregularity, impropriety and non-Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

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

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

A handwritten signature in black ink, appearing to read 'MR Gillespie', written in a cursive style.

**Martin Gillespie**  
**Accounting Officer**

**Date: 15 December 2017**



**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**STATEMENT OF TRUSTEES RESPONSIBILITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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

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

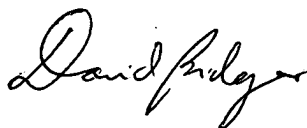
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2016, FRS 102 and the Academies Accounts Direction 2016 to 2017;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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, 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 and the provisions of the Charity's Constitution. They are also responsible for safeguarding the assets of the charity 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 requirement both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 Trustee Board on 15 December 2017 and signed on its behalf by:



**David Bridger**  
**Chair of Board**

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST  
INDEPENDENT AUDITORS REPORT ON THE FINANCIAL STATEMENTS  
TO THE MEMBERS OF ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**

**Opinion**

We have audited the financial statements of Rochester Diocesan Multi Academy Trust for the year ended 31 August 2017 which comprise Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including the Academies' Accounts Direction 2016 to 2017 issued by the Education Funding Agency; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charitable company'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 auditor's 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 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.

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST  
INDEPENDENT AUDITORS REPORT ON THE FINANCIAL STATEMENTS  
TO THE MEMBERS OF ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST (CONTINUED)**

We have nothing to report in this regard.

**Opinion on other matter prescribed by the Companies Act 2006**

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report included within the trustees' report have been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In light of the knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report included within 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
- 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 trustees' responsibilities statement set out on page 16, the trustees (who are also the directors of the charitable company 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.

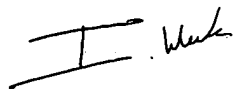
In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate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

**Auditor's responsibilities for the audit of the financial statements**

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

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST  
INDEPENDENT AUDITORS REPORT ON THE FINANCIAL STATEMENTS  
TO THE MEMBERS OF ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST (CONTINUED)**

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.



Ian Weekes  
Senior Statutory Auditor

For and on behalf of  
**Crowe Clark Whitehill LLP**  
Statutory Auditor  
Riverside House  
40-46 High Street  
Maidstone  
Kent  
ME14 1JH

Date: 15 December 2017

## **INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE GOVERNING BODY OF ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST AND THE EDUCATION AND SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 6 November 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Rochester Diocesan Multi Academy Trust during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Rochester Diocesan 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 Rochester Diocesan 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 Rochester Diocesan Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

### **RESPECTIVE RESPONSIBILITIES OF ROCHESTER DIOCESAN MULTI ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING AUDITOR**

The Accounting Officer is responsible, under the requirements of Rochester Diocesan Multi Academy Trust funding agreement with the Secretary of State for Education dated 25 March 2014, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

### **APPROACH**

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

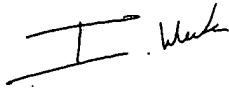
A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a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

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

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE  
GOVERNING BODY OF ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST AND THE  
EDUCATION AND SKILLS FUNDING AGENCY (CONTINUED)**

**CONCLUSION**

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



Ian Weekes  
Senior Statutory Auditor

For and on behalf of  
**Crowe Clark Whitehill LLP**  
Statutory Auditor  
Riverside House  
40-46 High Street  
Maidstone  
Kent  
ME14 1JH

**Date: 15 December 2017**

**ROCHESTER DIOCESAN MULTI-ACADEMY EDUCATION TRUST**  
**STATEMENT OF FINANCIAL ACTIVITIES**  
**FOR THE YEAR ENDED 31 AUGUST 2017**  
**(INCLUDING INCOME AND EXPENDITURE ACCOUNT)**

	Notes	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total 2017 £	Total 2016 As restated £
<b>Income and endowments from:</b>						
Donations and capital grants	2	-	26,809	36,041	62,850	41,976
Charitable activities:						
Funding for the academy trust's educational operations	3	-	775,696	-	775,696	1,528,677
Other trading activities	4	1,021	-	-	1,021	51,702
<b>Total</b>		<b>1,021</b>	<b>802,505</b>	<b>36,041</b>	<b>839,567</b>	<b>1,622,355</b>
<b>Expenditure on:</b>						
Raising Funds	5	1,021	757	-	1,778	48,594
Charitable activities:						
Academy trust educational operations	5	-	747,538	5,790	753,328	1,629,136
(Gain)/Loss on transfer of St John's	5	-	-	-	-	78,926
<b>Total</b>		<b>1,021</b>	<b>748,295</b>	<b>5,790</b>	<b>755,106</b>	<b>1,756,656</b>
<b>Net income/(expenditure)</b>		<b>-</b>	<b>54,210</b>	<b>30,251</b>	<b>84,461</b>	<b>(134,301)</b>
<b>Other recognised gains/(losses):</b>						
Gain on transfer of St John's defined benefit pension scheme		-	-	-	-	209,000
Actuarial (losses)/gains on defined benefit pension schemes	25	-	80,000	-	80,000	(98,000)
<b>Net movement in funds</b>		<b>-</b>	<b>134,210</b>	<b>30,251</b>	<b>164,461</b>	<b>(23,301)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward		(30,655)	17,587	-	(13,068)	10,233
<b>Total funds carried forward</b>		<b>(30,655)</b>	<b>151,797</b>	<b>30,251</b>	<b>151,393</b>	<b>(13,068)</b>

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**BALANCE SHEET**  
**AS AT 31 AUGUST 2017**

**Company Number 08270657**

	Notes	2017	2017	2016	2016
		£	£	As Restated	As Restated
				£	£
<b>Fixed Assets</b>					
Intangible assets	11		-		-
Tangible assets	12		289		1,284
<b>Current Assets</b>					
Debtors	13	78,440		72,475	
Cash at bank and in hand		246,895		170,522	
		<u>325,335</u>		<u>242,997</u>	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year	14	(48,231)		(74,349)	
<b>Net Current Assets</b>			<u>277,104</u>		<u>168,648</u>
<b>Total assets less current liabilities</b>			<u>277,393</u>		<u>169,932</u>
Creditors: amounts falling due after more than one year			-		-
<b>Net assets excluding pension liability</b>			<u>277,393</u>		<u>169,932</u>
Defined benefit pension scheme liability	25		(126,000)		(183,000)
<b>Total net assets</b>			<u>151,393</u>		<u>(13,068)</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	16	30,251		-	
Restricted income fund	16	277,797		200,587	
Pension reserve	16	(126,000)		(183,000)	
<b>Total restricted funds</b>			<u>182,048</u>		<u>17,587</u>
<b>Unrestricted income funds</b>	16		(30,655)		(30,655)
<b>Total funds</b>			<u>151,393</u>		<u>(13,068)</u>

The financial statements on pages 22-47 were approved by the Trustees and authorised for issue on 15 December 2017 and are signed on their behalf by



**David Bridger**  
Chair of Board of Directors

The notes on pages 25-47 form part of these financial statements



**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

	Notes	2017 £	2016 £
<b>Cash flows from operating activities</b>			
Net cash provided by (used in) operating activities	20	40,332	(129,728)
<b>Cash flows from investing activities</b>	22	36,041	12,444
<b>Cash flows for financing activities</b>	21	-	-
<b>Change in cash and cash equivalent sin the reporting period</b>		<b>76,373</b>	<b>(117,284)</b>
<b>Cash and cash equivalentents at 1 September 2016</b>		<b>170,522</b>	<b>287,806</b>
<b>Cash and cash equivalentents at 31 August 2017</b>	23	<b>246,895</b>	<b>170,522</b>

The notes on pages **25-47** form part of these financial statements

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**1. Statement of 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.

**Basis of Preparation**

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 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Rochester Diocesan Multi Academy Education Trust meets the definition of a public benefit entity under FRS 102.

The registered office of the Rochester Diocesan Multi Academy Education Trust is St Nicholas Church, Boley Hill, Rochester, ME1 1SL.

**Going Concern**

The directors assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The directors make this assessment in respect of one year from the date of approval of the financial statements.

It is the directors' intention to gradually wind down the multi-academy trust and transfer the existing school out. Until this process is complete the going concern assumption is made on the basis that existing grants provided by the Education and Skills Funding Agency ('ESFA') are not withdrawn. The trust has received assurance from the ESFA that the company will not be required to repay any unspent grants which would cause the trust to become insolvent. On this basis the directors believe the company to be a going concern.

**Income**

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

- **Grants**

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 unspent amount is reflected as a balance in the restricted general fund.

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

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

- **Sponsorship Income**  
Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.
- **Donations**  
Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.
- **Other Income**  
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 or services.
- **Donated goods, facilities and services**  
Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.
- **Transfer on conversion**  
Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as Transfer on conversion within Donations and capital grant income.
- **Donated fixed assets (excluding Transfers on conversion/into the Trust)**  
Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

**Expenditure**

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

- **Expenditure on Raising Funds**  
This 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.
- **Charitable Activities**  
These are costs incurred on the academy trust's educational operations, including support costs and costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Intangible Fixed Assets**

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 on a straight-line basis over its expected useful life, as follows:

- Purchased computer software 33% per annum

**Tangible Fixed Assets**

Assets costing £1,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

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

- |                            |               |
|----------------------------|---------------|
| a. Furniture and equipment | 25% per annum |
| b. Computer equipment      | 25% per annum |

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.

**Premises held under licence**

Part of the land and buildings of Rosherville CEP Academy owned by the Vicar and Churchwardens of the Ecclesiastical Parish of Northfleet and Rosherville are held under a Church Supplemental Agreement which permits the use of the premises on a rolling basis with a 2 year notice period. The trust's occupation for this period is recognised as follows:

- a. a notional donation for the two year notice
- b. a notional rental expense for the use of the premises in the first year
- c. a prepayment representing the notional rental expense for the remaining notice period – the second year.

The value of the donation is the amount the trust would otherwise have had to pay to secure the premises sufficient for its operations for the period. This has been estimated as an amount equivalent to the annual depreciation on the previous valuation of the school plus a 10% yield. The estimate amounts to a rental charge of £24,311 per annum.

Rosherville CEP Academy leases its playing fields from Ranburn Ltd. This has been accounted for as an operating lease.

**Liabilities**

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

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Provisions**

Provisions are recognised when the academy trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**Leased Assets**

Rentals under operating leases are charged on a straight line basis over the lease term.

**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 15. Prepayments are not financial instruments.

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

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

**Stock**

Unsold uniform is valued at the lower of cost and net realisable value. For the purposes of these accounts stock is immaterial.

**Taxation**

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

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

**Pension Benefits**

Retirement benefits to employees of the constituent academies of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes.

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

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and the costs of scheme introductions, benefit changes, settlements and curtailments. They are included as part of staff costs as incurred. Net interest on the net defined benefit liability/asset is also recognised in the Statement of Financial Activities and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

Head office employees of the academy trust are not members of a Pension Scheme.

**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 directors.

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 and includes grants from the ESFA/DfE

Restricted general funds comprise all other restricted funds received with restrictions imposed by the funder/donor and include grants from the ESFA/DfE.

**Critical Accounting Estimate 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 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

A Trustees valuation has been used to recognise the notional donation and rental expense for the use of Church owned land and buildings.

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**2. Donations and capital grants**

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Fund £	Total 2017 £	Total 2016 As Restated £
Capital grants	-	-	36,041	36,041	12,444
Other donations	-	26,809	-	26,809	29,532
	<u>-</u>	<u>26,809</u>	<u>36,041</u>	<u>62,850</u>	<u>41,976</u>
<b>2016 Total</b>	<u>5,221</u>	<u>36,755</u>	<u>-</u>	<u>41,976</u>	

**3. Funding for the Academy Trust's educational operations**

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
<b>DfE/ESFA grants</b>				
General Annual GAG (GAG)	-	639,098	639,098	1,342,789
Other DfE/ESFA grants	-	90,524	90,524	154,345
	<u>-</u>	<u>729,622</u>	<u>729,622</u>	<u>1,497,134</u>
<b>Other Government grants</b>				
Local authority grants	-	27,107	27,107	31,543
Special educational projects	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other income from the academy trust's educational operations</b>				
	-	18,967	18,967	-
	<u>-</u>	<u>775,696</u>	<u>775,696</u>	<u>1,528,677</u>
<b>2016 Total</b>	<u>-</u>	<u>1,528,677</u>	<u>1,528,677</u>	

**4. Other trading activities**

	Unrestricted Funds £	Restricted Funds £	Total 2017 £	Total 2016 £
Catering income	-	-	-	9,380
Trip income	-	-	-	6,208
Other income	1,021	-	1,021	36,114
	<u>1,021</u>	<u>-</u>	<u>1,021</u>	<u>51,702</u>
<b>2016 Total</b>	<u>51,702</u>	<u>-</u>	<u>51,702</u>	

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**5. Expenditure**

	Non Pay Expenditure			Total 2017 £	Total 2016 As restated £
	Staff Costs £	Premises £	Other £		
Expenditure on raising funds	-	-	1,778	1,778	48,594
Academy's educational operations:					
Direct costs	460,148	-	100,070	560,218	1,146,144
Allocated support costs	61,489	62,978	68,643	193,110	482,992
Transfer of St John's	-	-	-	-	(130,074)
	<u>521,637</u>	<u>62,978</u>	<u>170,491</u>	<u>755,106</u>	<u>1,547,656</u>
<b>2016 Total</b>	<u>1,135,647</u>	<u>119,192</u>	<u>292,817</u>	<u>1,547,656</u>	

Expenditure by Fund

	Unrestricted Funds £	Restricted Funds £	Restricted Fixed Asset Fund £	Total 2017 £	Total 2016 As restated £
Expenditure on raising funds	1,021	757	-	1,778	48,594
Academy's educational operations:					
Direct costs	-	555,098	5,120	560,218	1,146,144
Allocated support costs	-	192,440	670	193,110	482,992
Transfer of St John's	-	-	-	-	(130,074)
	<u>1,021</u>	<u>748,295</u>	<u>5,790</u>	<u>755,106</u>	<u>1,547,656</u>
<b>2016 Total</b>	<u>47,987</u>	<u>1,465,827</u>	<u>33,842</u>	<u>1,547,656</u>	

Net income/(expenditure) for the period includes:

	2017 £	2016 As restated £
Operating lease rentals	3,880	9,748
Depreciation	995	9,683
Amortisation of intangible fixed assets (included within charitable Activities-Academy Trust educational operations)	-	4,799
Transfer of St John's	-	(130,074)
Fees payable to auditor for:		
-audit	7,500	9,500
-other services	1,375	7,560



**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

Included within expenditure are the following transactions.

	Total £	Individual items above £5,000 Amount £	Reason
Compensation payments covered by the ESFA RPA	3,000	-	N/A

**6. Charitable activities**

	Total 2017 £	Total 2016 As restated £
Direct costs – educational operations	560,218	1,146,144
Support costs – educational operations	193,110	482,992
	<b>753,328</b>	<b>1,629,136</b>

The total direct costs were £560,218 (2016:£1,146,144) of which £560,218 (2016: £1,145,366) was restricted and £NIL (2016: £778) was unrestricted.

Analysis of support costs	Educational operations £	Total 2017 £	Total 2016 As restated £
Support staff costs	61,489	61,489	165,038
Depreciation	995	995	14,482
Technology costs	15,041	15,041	32,113
Premises costs	62,978	62,978	119,192
Other support costs	35,081	35,081	127,972
Governance costs	17,526	17,526	24,195
<b>Total support costs</b>	<b>193,110</b>	<b>193,110</b>	<b>482,992</b>

The total support costs were £193,110 (2016:£482,992) of which £193,110 (2016: £416,504) was restricted and £NIL (2016: £66,487) was unrestricted.

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**7. Staff**

**a. Staff Costs**

Staff costs during the period were:

	Total 2017	Total 2016
	£	£
Wages and salaries	403,950	914,335
Social security costs	19,213	54,789
Operating costs of defined benefit pension schemes	38,787	142,346
Apprenticeship Levy	-	-
	<b>461,950</b>	<b>1,111,470</b>
Supply staff costs	33,686	52,412
Staff restructuring costs	3,000	13,177
	<b>498,636</b>	<b>1,177,059</b>
Staff restructuring costs comprise:		
Redundancy payments	-	10,628
Severance payments	3,000	-
Other restructuring costs	-	2,549
	<b>3,000</b>	<b>13,177</b>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £3,000 (2016: £2,549). Individually the payments were £3,000 (2016: £2,549). These costs were covered by the ESFA's RPA.

**b. Staff numbers**

The average number of persons employed by the academy on a headcount basis during the period was as follows:

	2017	2016
	No.	No.
Teachers	6	16
Administration and support	16	45
Management	1	4
	<b>23</b>	<b>65</b>

**c. Higher paid staff**

No employee was paid emoluments exceeding £60,000 during the year.

**d. Key management personnel**

The key management personnel of the academy trust comprise the trustees and the senior management team as listed on page 4. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £15,173 (2016: £18,552).

**8. Central Services**

The academy trust as provided the following central services to Rosherville CEP Academy during the year.

- Human resources
- Financial services
- Educational support services
- Legal services

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

The trust charges for these services on the following basis:

- Flat percentage of GAG income; 5%
- At cost for specific clearly identifiable additional accounting services not covered by the 5%
- Executive Head services time-apportioned on basis of time spent at charge out rate

The actual amount charged during the year was as follows:

	2017 £	2016 £
Rosherville CEP Academy	90,683	85,036
St John's CEP School	-	35,959
	90,683	120,995

**9. Related Party Transactions – Trustees' remuneration and expenses**

No trustee has been paid remuneration or received other benefits from the academy trust during the year.

During the period ended 31 August 2017, travel, subsistence and other expenses totalling £88 were reimbursed or paid directly to 2 trustees (2016: Nil trustees).

**10. Trustees and officers insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the period ended 31 August 2017 was £185 (2016: £641). The cost of this insurance is included in the total insurance cost.

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

**11. Intangible fixed assets**

	Computer Software £	Total £
<b>Cost</b>		
At 1 September 2016	13,800	13,800
Additions	-	-
At 31 August 2017	13,800	13,800
<b>Amortisation</b>		
At 1 September 2016	13,800	13,800
Charged in year	-	-
At 31 August 2017	13,800	13,800
<b>Carrying amount</b>		
At 31 August 2016	-	-
At 31 August 2017	-	-

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**12. Tangible fixed assets**

	Computer Hardware £	Total £
<b>Cost</b>		
At 1 September 2016	3,973	3,973
Additions	-	-
At 31 August 2017	3,973	3,973
<b>Depreciation</b>		
At 1 September 2016	2,689	2,689
Charged in year	995	995
At 31 August 2017	3,684	3,684
<b>Net book values</b>		
At 31 August 2016 as restated	1,284	1,284
At 31 August 2017	289	289

**13. Debtors**

	2017 £	2016 £
Trade debtors	-	378
VAT recoverable	8,545	1,834
Other debtors	-	78
Prepayments and accrued income	69,895	70,185
	78,440	72,475

Prepayments include notional rental expense of £48,622 (2 years of donations) recognised on the basis set out in note 1, Accounting Policies.

**14. Creditors: amounts falling due within one year**

	2017 £	2016 £
Trade creditors	15,271	36,814
Other taxation and social security	-	-
Other creditors	156	2,587
Accruals and deferred income	32,804	34,948
	48,231	74,349

	2017 £	2016 £
<b>Deferred income</b>		
Deferred income at 1 September 2016	17,422	54,207
Released from previous years	(17,422)	(54,207)
Resources deferred in the year	15,914	17,422
Deferred income at 31 August 2017	15,914	17,422

At the balance sheet date the academy trust was holding funds received in advance for universal infant free school meals, rates relief and devolved formula capital grant.

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**15. Financial instruments**

	2017	2016
	£	£
Financial assets at amortised cost	-	456
Financial liabilities at amortised cost	32,104	56,927

Financial assets at amortised cost include trade debtors and other debtors expected to be settled in cash.

Financial liabilities at amortised costs include trade creditors, other creditors and accruals expected to be settled in cash.

**16. Funds**

	Balance at 1 September 2016 As restated £	Incoming Resources £	Resources Expended £	Gains, Losses and Transfers £	Balance at 31 August 2017 £
<b>Restricted general funds</b>					
General Annual Grant (GAG)	55,386	684,874	(609,196)	-	131,064
Start Up Grant	139,146	-	-	-	139,146
Pupil Premium	-	59,950	(59,950)	-	-
Other DfE grants	-	30,574	(29,042)	-	1,532
Local Authority grants	6,055	27,107	(27,107)	-	6,055
Pension Reserve	(183,000)	-	57,000	-	(126,000)
	17,587	802,505	(668,295)	-	151,797
<b>Restricted fixed assets funds</b>					
DfE/EFSA grants	-	36,041	(5,790)	-	30,251
	-	36,041	(5,790)	-	30,251
<b>Total restricted funds</b>	17,587	838,546	(674,085)		182,048
<b>Total unrestricted funds</b>	(30,655)	1,021	(1,021)		(30,655)
<b>Total funds</b>	(13,068)	839,567	(675,106)	-	151,393

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

Restricted General Funds – The GAG must be used to meet the general costs of running Rochester Diocesan Multi-Academy Education Trust. 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 2017. Other DfE/ESFA grants and other government grants received are used for the furtherance of education within the trust. The pension reserve is the trust's share of the liability arising under the Local Government Pension Scheme (LGPS).

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

Restricted Fixed Asset Funds – these funds are resources which are to be applied to specific capital purposes imposed by the Education and Skills Funding Agency, Department for Education or other funders where the asset acquired or created is held for a specific purpose.

Unrestricted Funds - includes income generated from activities and any other donations or investment income, which are not restricted for any specific purpose and can be spent as determined by the Trustees.

**Total funds analysis by academy**

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £	Total 2016 as restated £
Rosherville CEP Academy	149,812	75,634
Central Services	97,330	94,298
Total before fixed assets and pension reserve	247,142	169,932
Restricted fixed asset fund	30,251	-
Pension reserve	(126,000)	(183,000)
<b>Total</b>	<b>151,393</b>	<b>(13,068)</b>

**Total cost analysis by academy**

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

	Teaching and Educational Support Staff Costs £	Other Support Staff Costs £	Educational Supplies £	Other Costs (excluding Depreciation) £	Total 2017 £	Total 2016 £
Rosherville CEP Academy	437,148	42,344	46,267	106,548	632,307	906,424
St John's Primary School	-	-	-	-	-	792,351
Central Services	-	16,145	-	25,661	41,806	62,472
<b>Academy Trust</b>	<b>437,148</b>	<b>58,489</b>	<b>46,267</b>	<b>132,209</b>	<b>674,113</b>	<b>1,761,247</b>

**17. Analysis of net assets between funds**

Fund balances at 31 August 2017 are represented by:

	Unrestricted Funds £	Restricted General Funds £	Restricted Fixed Asset Funds £	Total Funds £
Tangible fixed assets	289	-	-	289
Current assets	-	325,335	-	325,335
Current liabilities	(30,944)	(17,287)	-	(48,231)
Non-current liabilities	-	-	-	-
Pension scheme liability	-	(126,000)	-	(126,000)
<b>Total net assets</b>	<b>(30,655)</b>	<b>182,048</b>	<b>-</b>	<b>151,393</b>

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**18. Capital Commitments**

	2017	2016
	£	£
Contracted for but not provided in the financial statements	34,290	-

Capital commitments comprise projects matched by CIF grants and other funding.

**19. Commitments under operating leases**

**Operating leases**

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

	2017	2016
	£	£
Amounts due within one year	3,880	3,880
Amounts due between one and five years	16,250	16,880
Amounts due after five years	380,250	383,500
	<u>400,380</u>	<u>404,260</u>

**20. Reconciliation of net income/(expenditure) to net cash flow from operating activities**

	2017	2016 as restated
	£	£
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	84,461	(134,301)
Adjusted for:		
Assets transferred to another Multi-Academy Trust	-	31,652
Amortisation (11)	-	4,799
Depreciation (12)	995	9,683
Capital grants for DfE and other capital income	(36,041)	(12,444)
Defined benefit pension scheme cost less contributions payable (note 25)	19,000	8,000
Defined benefit pension scheme finance cost (note 25)	4,000	3,000
(Increase)/decrease in debtors	(5,965)	76,170
Increase/(decrease) in creditors	(26,118)	(116,287)
<b>Net cash provided by (used in) operating activities</b>	<u>40,332</u>	<u>(129,728)</u>

**21. Cash Flows from financing activities**

	2017	2016
	£	£
Repayments of borrowing	-	-
Cash inflows from new borrowing	-	-
<b>Net cash provided by/(used in) financing activities</b>	<u>-</u>	<u>-</u>

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**22. Cash flows from investing activities**

	2017	2016
	£	£
Dividends, interest and rents from investments		-
Proceeds from sale of tangible fixed assets		-
Purchase of intangible fixed assets		-
Purchase of tangible fixed assets		-
Capital grants from DfE/ESFA	36,041	12,444
Capital funding received from sponsors and others		-
<b>Net cash from/(used in) investing activities</b>	<b>36,041</b>	<b>12,444</b>

**23. Analysis of cash and cash equivalents**

	2017	2016
	£	£
Cash in hand and at bank	246,895	170,522
Notice deposits (less than 3 months)	-	-
<b>Total cash and cash equivalents</b>	<b>246,895</b>	<b>170,522</b>

**24. Members liability**

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

**25. Pension and similar obligations**

The academy trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by Kent County Council Pension Fund. Both are multi-employer defined benefit schemes. The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016. There were no outstanding or prepaid contributions at either the beginning or the end of the financial year.

**Teachers' Pension Scheme**

**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



**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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

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

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

The employer's pension costs paid to TPS in the period amounted to £23,456 (2016: £79,772).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website. Under the definitions set out in FRS 102, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

**Local Government Pension Scheme**

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £19,624 (2016: £73,861), of which employer's contributions totalled £15,331 (2016: £62,358) and employees' contributions totalled £4,293 (2016: £11,503). The agreed contribution rates for future years are 20.0% for employers and between 5.5% and 12.5% for employees.

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

**Kent County Council Pension Fund - Rosherville CEP Academy**

**Principal actuarial assumptions**

	<b>At 31 August 2017</b>	<b>At 31 August 2016</b>
Rate of increase in salaries	<b>4.2%</b>	4.1%
Rate of increase for pensions in payment/inflation	<b>2.7%</b>	2.3%
Discount rate for scheme liabilities	<b>2.6%</b>	2.2%
Inflation assumption (CPI)	<b>2.7%</b>	2.3%
Commutation of pensions to lump sums	<b>50.00%</b>	50.00%

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

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

	At 31 August 2017	At 31 August 2016
<i>Retiring today</i>		
Males	23.0	22.9
Females	25.1	25.3
<i>Retiring in 20 years</i>		
Males	25.2	25.2
Females	27.4	27.7

**Sensitivity analysis**

	At 31 August 2017 £'000s	At 31 August 2016 £'000s
Adjustment to discount rate:		
Present value of total obligation +0.1%	240	284
Present value of total obligation 0.0%	247	294
Present value of total obligation -0.1%	254	304
Projected Service Cost +0.1%	31	45
Projected Service Cost 0.0%	32	47
Projected Service Cost -0.1%	33	49
Adjustment to long term salary increase:		
Present value of total obligation +0.1%	248	295
Present value of total obligation 0.0%	247	294
Present value of total obligation -0.1%	246	293
Projected Service Cost +0.1%	32	47
Projected Service Cost 0.0%	32	47
Projected Service Cost -0.1%	32	47
Adjustment to pension increase and deferred revaluation:		
Present value of total obligation +0.1%	252	302
Present value of total obligation 0.0%	247	294
Present value of total obligation -0.1%	242	286
Projected Service Cost +0.1%	33	49
Projected Service Cost 0.0%	32	47
Projected Service Cost -0.1%	31	45
Adjustment to life expectancy assumptions:		
Present value of total obligation +1 year	255	302
Present value of total obligation none	247	294
Present value of total obligation -1 year	239	287
Projected Service Cost +1 year	33	48
Projected Service Cost none	32	47
Projected Service Cost -1 year	31	46

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

The academy trust's share of the assets in the scheme were:

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	84,000	74,000
Gilts	1,000	1,000
Cash	4,000	3,000
Other bonds	12,000	12,000
Property	15,000	16,000
Absolute return fund (Target return portfolio)	5,000	5,000
<b>Total market value of assets</b>	<b>121,000</b>	<b>111,000</b>

The actual return on scheme assets was £20,000 (2016: £12,000)

**Amounts recognised in the statement of financial activities (SOFA)**

	2017 £	2016 £
Current service cost(net of employee contributions)	34,000	28,000
Net interest cost	4,000	3,000
Benefit changes, gains/(losses) on curtailment and gain/(loss) on settlement		-
<b>Total amount recognised in the SOFA</b>	<b>38,000</b>	<b>31,000</b>

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

	2017 £	2016 £
<b>At 1 September</b>	<b>294,000</b>	<b>147,000</b>
Current service cost	34,000	28,000
Interest cost	7,000	6,000
Employee contributions	4,000	6,000
Changes financial assumptions and experience loss/(gain) on defined benefit obligation	(92,000)	107,000
<b>At 31 August</b>	<b>247,000</b>	<b>294,000</b>

**Changes in the fair value of academy's share of scheme assets:**

	2017 £	2016 £
<b>At 1 September</b>	<b>111,000</b>	<b>73,000</b>
Interest income	3,000	3,000
Return on plan assets (excluding net interest on the net defined pension liability)	17,000	9,000
Actuarial gain/(loss)	(29,000)	-
Employer contributions	15,000	20,000
Employee contributions	4,000	6,000
<b>At 31 August</b>	<b>121,000</b>	<b>111,000</b>
<b>Defined benefit pension scheme liability</b>	<b>126,000</b>	<b>183,000</b>

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Actuarial (losses)/gains on defined benefit pension schemes**

	2017	2016
	£	£
Changes in financial assumptions	92,000	(107,000)
Return on plan assets	17,000	9,000
Actuarial gain/(loss)	(29,000)	-
<b>Total amount recognised in the SOFA</b>	<b>80,000</b>	<b>(98,000)</b>

**26. Related Party Transactions**

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 the trust has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account.

	2017	2016
	£	£
Rent to Diocese of Rochester as office premises for Central Services	-	6,498

No other related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 9

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**27. Restatement of the Financial Statements**

Statement of Financial Activities

	Per Prior Year Signed Accounts					Total 2016
	Unrestricted	Restricted	Restricted		Adjustments	As
	Funds	General	Fixed Asset	Total 2016		Restated
	£	Funds	Funds	£	£	£
<b>Income and endowments from:</b>						
Donations and capital grants	5,221	12,444	-	17,665	24,311	41,976
Charitable activities:						
Funding for the academy trust's educational operations	-	1,528,677	-	1,528,677		1,528,677
Other trading activities	51,702	-	-	51,702		51,702
<b>Total</b>	<b>56,923</b>	<b>1,541,121</b>	<b>-</b>	<b>1,598,044</b>	<b>24,311</b>	<b>1,622,355</b>
<b>Expenditure on:</b>						
Raising Funds	48,594	-	-	48,594		48,594
Charitable activities:						
Academy trust educational operations	67,265	1,530,219	66,948	1,664,432	(35,296)	1,629,136
(Gain)/Loss on transfer of St John's	-	52,424	3,139,536	3,191,960	(3,113,034)	78,926
<b>Total</b>	<b>115,859</b>	<b>1,582,643</b>	<b>3,206,484</b>	<b>4,904,986</b>	<b>(3,148,330)</b>	<b>1,756,656</b>
<b>Net income/(expenditure)</b>	<b>(58,936)</b>	<b>(41,522)</b>	<b>(3,206,484)</b>	<b>(3,306,942)</b>	<b>(3,124,019)</b>	<b>(134,301)</b>
<b>Other recognised gains/(losses):</b>						
Gain on transfer of St John's defined benefit pension scheme	-	209,000	-	209,000	-	209,000
Actuarial (losses)/gains on defined benefit pension schemes	-	(98,000)	-	(98,000)	-	(98,000)
<b>Net movement in funds</b>	<b>(58,936)</b>	<b>69,478</b>	<b>(3,206,484)</b>	<b>(3,195,942)</b>		<b>(23,301)</b>
<b>Reconciliation of funds</b>						
Total funds brought forward	(111,207)	38,975	4,269,675	4,197,443	(4,187,210)	10,233
<b>Total funds carried forward</b>	<b>(170,143)</b>	<b>108,453</b>	<b>1,063,191</b>	<b>1,001,501</b>		<b>(13,068)</b>

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Notes on Adjustments**

The following adjustments have been to restate the 2016 statement of financial activities:

- **Income**  
Notional rent donation of £24,311 for 1 year
- **Expenditure**  
Notional rent of £24,311 for 1 year, reversal of depreciation £59,607 on de-recognition of Rosherville and St John's land and buildings which have no value and reversal of loss on disposal of St John's land and buildings £3,113,034
- **Brought forward reserves**  
Increase by £48,622 for notional rent donation for the 2 year period and de-recognition of the valuation of church owned land and buildings £4,235,832

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

Balance Sheet

	Per Prior Year Signed Accounts			2016 As Restated	
	2016		Adjustments		
	£	£	£	£	£
<b>Fixed Assets</b>					
Intangible assets		-	-		-
Tangible assets	1,064,475	(1,063,191)			1,284
<b>Current Assets</b>					
Debtors	23,853	48,622		72,475	
Cash at bank and in hand					
	<u>170,522</u>	-		<u>170,522</u>	
	194,375			242,997	
<b>Liabilities</b>					
Creditors: Amounts falling due within one year					
	<u>(74,349)</u>	-		<u>(74,349)</u>	
<b>Net Current Assets</b>					
		120,026			168,6489
<b>Total assets less current liabilities</b>		<u>1,184,501</u>			<u>169,932</u>
Creditors: amounts falling due after more than one year					
		<u>-</u>			<u>-</u>
<b>Net assets excluding pension liability</b>					
		1,184,501			169,932
Defined benefit pension scheme liability					
		<u>(183,000)</u>			<u>(183,000)</u>
<b>Total net assets</b>		<u>1,001,501</u>			<u>(13,068)</u>
<b>Funds of the academy trust:</b>					
<b>Restricted funds</b>					
Fixed asset fund	1,063,191	(1063,191)		-	
Restricted income fund					
	291,453	(90,866)		200,587	
Pension reserve	<u>(183,000)</u>	-		<u>(183,000)</u>	
<b>Total restricted funds</b>		1,171,644			17,587
<b>Unrestricted income funds</b>					
		(170,143)	139,488		(30,655)
<b>Total funds</b>		<u>1,001,501</u>			<u>(13,068)</u>

**ROCHESTER DIOCESAN MULTI ACADEMY EDUCATION TRUST**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 AUGUST 2017**

**Notes on Adjustments**

In accordance with revised guidance in the Academies Accounts direction 2016/17, it was deemed that the academy does not have control over the land and buildings assets via the Church Supplemental Agreement that is in place. In the prior year financial statements an asset relating to the land and buildings was recognised based on the guidance issued at the time. Therefore, an adjustment has been made to remove the land and buildings from the financial statements.

In accordance with the Academies Accounts Directions 2016/17, a donation in kind for the use of the land and buildings has instead been recognised.

The following adjustments have been made to restate the 2016 balance sheet:

- Fixed Assets and Restricted Funds  
De-recognition of church owned land and buildings £1,063,191
- Current Assets and Restricted Income Fund  
Prepayment of notional rental expense £48,622
- Restricted and Unrestricted Funds  
Prior year adjustment to correct mis-allocation between funds £139,488