

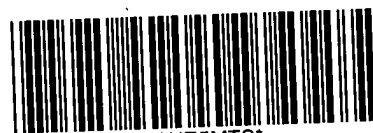


**Rochester Diocesan Multi-Academy Education Trust Limited
(A Company Limited by Guarantee)**

Annual Report and Financial Statements

Year ended 31 August 2014

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Rochester Diocesan Multi-Academy Education Trust

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Foreword

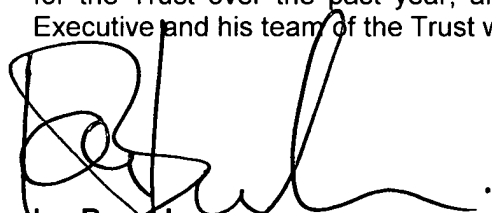
I am pleased to introduce the following Annual Report of the Rochester Multi Academy Trust. The past year has been one of rapid development of the Trust as the operational structures it will need as it expands have been created. Earlier in the year, the Trust's first school entered formally, and at the time of producing this report the Trust's second school is also on the threshold of joining us.

The past year has also been one where the vision for the future of an education system which is school led and self-improving has been ever more clearly articulated at national level, and across England those involved in Church education have explored what this means for the Church of England's continued involvement in schools will mean. There is no doubt that the evolution of small and local based academy trusts will be a key feature of the future.

A key feature of a good multi academy trust is its strong accountability for the standards its schools achieve. As Chair of this Trust, I will be focusing on this priority more keenly than ever, now that we are at the stage of having direct responsibility for children's education. There is no doubt that the reputation of this Trust, and its ability to serve Church of England schools in the Diocese of Rochester in the future, will depend on its ability to raise standards in the schools for which it is directly accountable.

Whilst focusing on raising standards, we must also not lose sight of what Church of England schools are for, what their defining characteristics are. Chief amongst these is the education of young people in a way which recognizes the dignity and potential of all people as created by God for a special purpose, in schools which serve all children and the whole community. There is no contradiction whatsoever, in my mind, between this vision and that of achieving high academic standards. They are inseparable, and this is the ambition which underpins all we do in this Trust.

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 Chief Executive and his team of the Trust who has supported our endeavors.



Ian Bauckham
Chair of Directors

Rochester Diocesan Multi-Academy Education Trust Reference and Administrative Details

The Rochester Diocesan Multi-Academy Education Trust ("Trust") presents its report and the audited financial statements for the period ended 31 August 2014.

Reference and Administrative details of the Trust, its Directors and Advisors

Directors:

Ian Bauckham (Chair)
David Bridger
Anne-Marie Hutton
David Jones
Marilyn Davey
Jean Craig
Cherie Sargent
Alex Tear
Ayub Khan (from 1 April 2014)

Company Secretary:

Alex Tear

Senior Management Team:

- Chief Executive and Accounting Officer
- Head of Finance

Ayub Khan (from 1 January 2014)
Jerry Gweme (from 1 May 2014)

Principal and Registered Office:

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

Company Registration Number:

8270657 (England and Wales)

Independent Auditor:

Crowe Clark Whitehill LLP
10 Palace Avenue
Maidstone
Kent
ME15 6NF

Bankers:

National Westminster Bank
40 High Street
Rochester
Kent
ME1 1LR

Solicitors:

Lee Bolton Monier-Williams
1 The Sanctuary
Westminster
London
SW1P 3JT

Rochester Diocesan Multi-Academy Education Trust Directors' Report

The Directors present their annual report together with the financial statements and auditor's reports of the charitable company for the year 1 September 2013 to 31 August 2014. The previous period of accounts ran from October 2012, being the date of incorporation, to 31 August 2013 and therefore does not reflect a full year.

Structure, Governance and Management:

Constitution:

The Trust, which was incorporated on the 26 October 2012 (registration no 08270657), is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Trust.

The members of the Trust are:

- The Rochester Diocesan Board of Education
- The Archdeacon of Tonbridge
- David Bridger
- Chair of the Board of Directors

Details of the Directors who served during the year are included in the Reference and Administrative Details on page 1.

Members' Liability:

Each member of the charitable company undertakes to contribute to the assets of the 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.

The Directors' Indemnities:

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

Principal Activities:

The Trust's principal activity is specifically restricted to the following: to advance, for the public benefit, education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing Academies which shall offer a broad and balanced curriculum which shall include (a) Church of England schools designated as such which shall be conducted in accordance with the principles, practices and tenets of the Church of England including any trust deed governing the use of land used by an Academy both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the relevant funding agreement), and having regard to any advice and following directives of the Diocesan Board of Education; and (b) other Academies whether with or without a designated religious character but in relation to each of the Academies to recognise and support their individual character and respect the different background of each and its links to the local community which it serves.

Rochester Diocesan Multi-Academy Education Trust

Directors' Report (continued)

Method of Recruitment and Appointment or Election of Directors:

There is a minimum of five Directors but no maximum. Articles 46 to 49 detail the composition of the Board of Directors, with their appointment being regulated by Articles 50 to 63.

Members have appointed 8 Directors and Alex Tear has been co-opted as a Director.

Policies and Procedures Adopted for the Induction and Training of Directors:

Directors are able to access appropriate and necessary training seminars. There are plans in the next period to implement individual Board Member appraisal and a Board development plan.

Organisational Structure:

The Board of Directors monitor the performance of the company through full Board meetings. The Directors have met 6 times during the accounting period.

A new CEO was appointed in January 2014 and a Head of Finance was recruited in May 2014. An Academy Improvement Advisor has been secured. Their role is to support and challenge schools in the Trust, lead on school improvement and provide regular reports to the Board. This lean infrastructure keeps overhead costs low and allows for more funds to be retained by each school for front line services.

The Trust has successfully converted one school into an academy (St John's Penge). This was achieved on time in April 2014. During the accounting period extensive work has been carried out to convert 2 further schools. Due to issues relating to outstanding statutory land transfers these schools should now join the Trust in the next period. The Trust has plans to increase the number of schools to 12 overall with planned growth over the next 3 years.

The newly appointed CEO has implemented a Finance & Audit Committee with clear Terms of Reference. This Committee has met twice during the period. The Committee covers areas delegated by the Board in accordance with the Terms of Reference and these are regularly reviewed and updated where appropriate.

The Board and Committee operate 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 CEO is responsible for the overall leadership and management and operational matters of the company. He is supported by the Head of Finance. Full reports providing updates on current matters are provided to the Board of Directors at their meetings.

The CEO is the Accounting Officer for the company.

Connected Organisations including Related Party Relationships:

The Rochester Diocesan Multi-Academy Education Trust is a standalone educational company. However given that it is likely to comprise of Church of England Academies offering a broad and balanced curriculum in accordance with the principles, practices and tenets of the Church of England, it is required to have regard to the advice of the Rochester Diocesan Board of Education, which is also one of its corporate members.

In furtherance of their religious objectives member Academies are also part of the Rochester Diocesan Family of Schools, a collaboration to promote the Church of England religious ethos within schools which does not of itself impact on the operations of the Trust.

Rochester Diocesan Multi-Academy Education Trust

Directors' Report (continued)

Objectives and Activities:

Objects and Aims:

The Trust principally serves the geographical area of the Diocese of Rochester and its primary objective is the advancement of excellent education, care and personal development for all pupils within its academies with an ethos informed by Christian faith.

During the period, the newly appointed CEO has worked with the Chair and the Board to clarify the vision and mission of the Trust.

The Vision of the Trust:

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 is:

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

The values by which the Trust operates:

- To develop a strong culture of professional development amongst our teaching staff as the quality of education in our academies can never exceed the quality of its teachers.
- To ensure that our academies are centres of excellence with a focus on the nurture and achievement of all their members
- To promote high quality professional development and encourage mutual support in the pursuit of effective teaching and good student progress
- To develop future and aspirational thinking based on our educational heritage and to make use of the latest research in pedagogy and child development
- To foster, maintain and celebrate Christian distinctiveness in our schools
- To recognise and enable those who often remain invisible, through ethnic or cultural disadvantage, or through disability or poverty
- To ensure our academies have a particular vocation to the least advantaged to enable them through education to change their lives

The purpose of the Trust:

The purpose of the Trust is to maintain good and outstanding schools and ensure the rapid improvement of Church schools which need support now and in the future and to act as a vehicle for enabling the sharing of best practice and economies of scale to be achieved across the group of academies.

The Trust may act as a sponsor for any Church school within the Diocese of Rochester who wishes to become an academy or for Church schools which are being directed to become sponsored academies by the Department of Education.

As a Trust the behaviors we expect to see:

- We encourage strong and capable leaders
- We enable our people to excel to provide outstanding education
- We build trust and respect across our academies

Rochester Diocesan Multi-Academy Education Trust

Directors' Report (continued)

As a Trust, the way we wish to grow is to develop:

- Long term relationships in which there is an opportunity for continuous improvement

The principles by which we will manage the organisation:

- Openness to build trust, be transparent, sharpen accountability and drive improvement
- We will 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:

The newly appointed CEO has worked with the Board to produce a clear long term 3 year corporate business plan covering the period 2014 – 2017 built on its mission and values. This sets out the following objectives to ensure that as a Trust, the public, parents and stakeholders have confidence in our approach. The Trust aims to deliver the best in:

1. Corporate Governance:

To ensure that the Board of Directors of RDAT 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.

2. School Improvement - Teaching & Learning:

To ensure that our academies provide 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 academies 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.

Rochester Diocesan Multi-Academy Education Trust Directors' Report (continued)

5. Integrated Support & Shared Services:

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.

To measure progress towards the 3 year objectives the Board agreed to focus on the following one year priorities.

- School improvement and effectiveness
- Bringing additional good and outstanding schools into the Trust
- Enhancing the governance of the RDAT Board
- Improving the local governing bodies to ensure better performing academies
- 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.

Achievements and Performance:

During this period the Directors have appointed a full time CEO who took up post in January 2014. The infrastructure has been boosted by the recruitment of a Head of Finance. Administrative support is provided through a secondment arrangement with a local school.

St John's Penge was converted on time in April 2014 and a new Head Teacher recruited to lead the school. Academy Orders for 2 further schools were received and during the period extensive work has been carried out with the conversion process. Both schools should now convert in the next period.

Alongside continued discussions with schools on academy conversion, the newly appointed CEO has focused on producing a 3 year corporate plan, implementing a school improvement strategy and building the infrastructure with a view to providing confidence to schools that the Trust is operational, governed well, and has a clear role supporting schools to raise standards. In addition, a growth strategy has been formulated along with a 3 year financial plan to attract schools into the Trust.

As part of its shared services approach, the Trust has also invested, commissioned and implemented PS Financials for schools. This allows for consolidated financial management and a single process used by schools.

Going Concern:

After making appropriate enquiries, 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.

Rochester Diocesan Multi-Academy Education Trust

Directors' Report (continued)

FINANCIAL REVIEW:

Financial Report for the Year:

The Financial Statements have been prepared on a going concern basis. The Directors 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 Trust's annual income is from the Education Funding Agency (EFA) in the form of recurring grants and non-recurring grants. The grants are restricted for particular purposes. The grants and the associated expenditure are shown as restricted funds in the Consolidated Statement of Financial Activities. The Trust also received a "gift" from the Rochester Diocesan Board of Education who owns the property from which St John's Primary Academy operates from. The value of the gift was determined by the Trustees using a return of 7% on the value of the property estimated at £2,577,290. An amount of £180,410 representing the "gift" is included in the income and expensed as "Rent" in the Consolidated Statement of Financial Activities.

During the year the Trust received an unrestricted donation from the Bishop of Rochester Fund for Mission amounting to £44,383. This is shown as unrestricted income in the Consolidated Statement of Financial Activities.

Resources expended for the year ending 31 August 2014 were £924,617 (before a pension deficit of £104,000) against an income of £982,927 resulting in a net surplus of £58,310. Net deficit including pension deficit is £45,690. In accordance with SORP 2005, expenditure has been analysed between the cost of generating funds, charitable activities and governance. All of the Trust's expenditure relates to its educational operations; this directly links to the Trust's principal activity, objectives and aims.

At 31 August 2014 the value of current assets was £270,190 (2013-£65,922) and net current assets were £95,179, (2013-£62,343).

Funding Future Operations:

The financial statements show a negative General Fund reserve of £49,919. The directors have continued to develop the organisation in the knowledge of the financial commitment made to the Trust by the Rochester Diocesan Board of Education (RDBE) in November 2013. The Trust currently has sufficient funds to pay its creditors as their bills fall due.

An agreement between the RDBE and the Trust dated 20th November 2014 states that;

"The Board has agreed to make support payments from its "School Improvement Fund" to the Academy Trust to support the building of capacity in terms of strategic leadership, governance and school improvement in relation to supporting Church of England Academies and to enabling the Academy Trust to increase the number of Church of England Academies and develop its role as a promoter and sponsor of Church of England schools and in supporting those schools".

Under the agreement RDBE has agreed to make available a sum of up to £250,000, of which the first draw down of £149,000 was approved by the RDBE on 20th November 2014. The balance of the Support Payment facility will be made available subject to conditions contained in the Agreement

Rochester Diocesan Multi-Academy Education Trust

Directors' Report (continued)

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.

The current reserve balance of £16,653 is not adequate for the Trust to ensure continued operations. Trustees have therefore put in place a financial plan as described under "Funding Future Operations" above in order to:

1. Provide sufficient working capital to cover delays between spending and receipt of grants
2. Provide a cushion to deal with unexpected emergencies
3. Enable the Trust to pursue projects at the Directors' discretion

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 reserves are held in instant access account in order to support the Trust's main purpose to provide education.

Principal Risks and Uncertainties:

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

The newly appointed CEO has implemented a more robust Risk Register for the Board. This is reviewed by the Finance & Audit Committee and reported to the Board at its meetings.

The Directors consider the greatest risks to the company are:

- Historic liabilities financial/non-financial associated with predecessor schools joining the Trust that are not addressed prior to conversion.
- Failure to improve the performance of schools joining the Trust
- Failure to attract schools into the Trust
- DfE and Regional schools commissioner lose confidence in RDAT as a sponsor
- Breach of legislation/regulatory requirements e.g. health & safety/ employment legislation/ safeguarding

There are a number of processes in place to mitigate against each risk and a robust due diligence process is undertaken prior to any school joining the Trust. This provides a forensic analysis against 3 key areas, school improvement, financial management and stock condition.

Rochester Diocesan Multi-Academy Education Trust Directors' Report (continued)

Plans for Future Periods:

The Directors will continue to review and evaluate achievement of the Trust strategic objectives and monitor risks taking all appropriate mitigation measures.

The Directors will also provide resources for school improvement and monitor closely its impact with each school. As the Trust grows, policies and procedures will need to be implemented and adapted and its growth plans will be monitored closely by the CEO and the Board.

The Directors will:

- Following receipt of Academy Orders should ensure the completion of two further schools into the Trust.
- Focus on improving the performance of all schools in the Trust.
- Continue to grow the Trust by attracting Good & Outstanding schools and implement cluster type arrangements for the management of such schools.
- Continued development of governance & management processes and structures in light of experience over time and the growth plans of the Trust.
- Focus on delivering shared services that deliver economies of scale

Funds Held as Custodian Trustee on Behalf of Others:

The Trust does not act as custodian trustee

DISCLOSURE OF INFORMATION TO AUDITORS

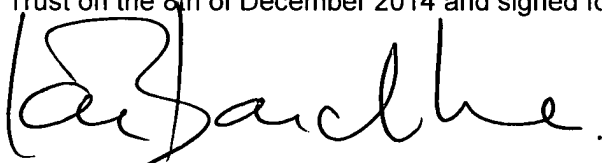
In so far as the Directors are aware:

1. There is no relevant audit information of which the charitable company's auditor is unaware; and
2. The Directors 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.

AUDITORS

The current auditors were re-appointed by the members at the Annual General meeting of the Trust on the 12 November 2013. The appointment was confirmed by the Directors.

The annual report, incorporating a strategic report, was approved by order of the Directors of the Trust on the 8th of December 2014 and signed for on their behalf by



Ian Bauckham
Chair of the Board

Rochester Diocesan Multi-Academy Education Trust

Governance Statement

Scope of Responsibility:

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

The Board of Directors has delegated the day-to-day responsibility to the Chief Executive, 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 the Trust and the Secretary of State for Education.

He is also responsible for reporting to the Board of Directors any material weaknesses or breakdowns in internal control.

Governance:

The information on governance included here supplements that described in the Directors' Report and in the Statement of Directors' Responsibilities. The Board of Directors has formally met 6 times during the period. Attendance during the year at meetings of the Board of Directors was as follows:

Director	Meetings attended	Out of a possible
Ian Bauckham (Chair)	4	6
David Bridger	5	6
Anne-Marie Hutton	4	6
David Jones	4	6
Marilyn Davey	4	6
Jean Craig	5	6
Cherie Sargent	6	6
Alex Tear	6	6
Ayub Khan	4	4

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 the Trust's 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 for the period ended 31 August 2014 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk:

The Board of Directors have 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 Board of Directors are 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 period ending 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Directors.

Rochester Diocesan Multi-Academy Education Trust Governance Statement (continued)

The Risk and Control Framework:

The Trust's system of internal financial control is still being established. It will be 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 will include:

1. Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Directors;
2. Regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
3. Setting targets to measure financial and other performance;
4. Clearly defined purchasing (asset purchase or capital investment) guidelines;
5. Delegation of authority and segregation of duties;
6. Identification and management of risks.

The Board of Directors has considered the need for a specific internal audit function and has decided to defer consideration of the appointment of an internal auditor until more schools joins the Trust.

Review of Effectiveness:

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

1. The work of the Head of Finance
2. The work of the external auditor
3. The financial management and governance process;

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control.

Approved by order of the members of the Board of Directors on the 8 December 2014 and signed on its behalf by:



Ian Bauckham
Chair of Directors



Ayub Khan
Chief Executive & Accounting Officer

Rochester Diocesan Multi-Academy Education Trust Statement on Regularity, Propriety and Compliance

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

I confirm that I and the Trust's Board of Directors 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 Trust's funding agreement and the Academies Financial Handbook.

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



Ayub Khan
Chief Executive & Accounting Officer

8 December 2014

Rochester Diocesan Multi-Academy Education Trust

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Directors' Report and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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


1. Select suitable accounting policies and then apply them consistently;
2. Observe the methods and principles in the Charities SORP;
3. Make judgments and accounting estimates that are reasonable and prudent;
4. State whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
5. Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.
6. Comply with the Academies Direction 2013.

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

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

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

Approved by order of the members of the Board of Directors on the 8 December 2014 and signed on its behalf by:



Ian Bauckham
Chair of Directors

Independent Auditor's Report on the Financial Statements to the Members of Rochester Diocesan Multi-Academy Education Trust

We have audited the financial statements of the Rochester Diocesan Multi Academy Trust for the year ended 31 August 2014 set out on pages 19 to 32.

The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies' Accounts Direction 2014 issued by the Education Funding Agency.

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.

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Governors' Responsibilities, the governors (who are also the directors of the charitable company for the purpose of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Strategic report and the Governors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

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

Opinion on other matter prescribed by the Companies Act 2006

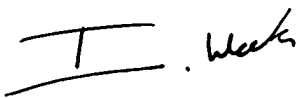
In our opinion the information given in the Strategic Report and the Governors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent Auditor's Report on the Financial Statements to the Members of Rochester Diocesan Multi-Academy Education Trust (continued)

Matters on which we are required to report by exception

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

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



Ian Weekes

Senior Statutory Auditor

For and on behalf of

Crowe Clark Whitehill LLP

Statutory Auditor

Maidstone

Date: 15th December 2014

Rochester Diocesan Multi-Academy Education Trust

Independent Reporting Auditor's Assurance Report on Regularity to

Rochester Diocesan Multi-Academy Education Trust and the Education Funding Agency

In accordance with the terms of our engagement letter dated 22 October 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies: Accounts Direction 2014, we have carried out an engagement to obtain assurance about whether, the expenditure disbursed and income received by the Trust during the period 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to the Board of Directors and the EFA in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the Board of Directors and the EFA those matters we are required to state to it 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 the Board of Directors and the EFA, for our review work, for this report, or for the opinion we have formed.

Respective responsibilities of the Directors and Auditors:

The Directors are responsible, under the requirements of Academy Trust's funding agreement with the Secretary of State of Education dated 25 March 2014 and the Academies Financial Handbook, extant from 1 September 2012, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach:

We conducted our engagement in accordance with the Academies Accounts Direction 2014 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

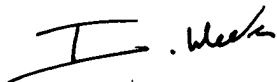
A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a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

Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure. The work undertaken to draw to our conclusion includes a review of the design and implementation of the Academy's internal controls and review processes on regularity, supported by detailed tests on samples of costs incurred by the academy and specific transactions identified from our review..

**Rochester Diocesan Multi-Academy Education Trust
Independent Reporting Auditor's Assurance Report on Regularity to
Rochester Diocesan Multi-Academy Education Trust and the Education
Funding Agency (continued)**

Opinion:

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 has 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

Maidstone

Date: 15th December 2014

Rochester Diocesan Multi-Academy Education Trust
Statement of financial Activities for the Year Ended 31 August 2014
(Including Income & Expenditure Account)

	Notes	Unrestricted Funds	Restricted General Funds	Restricted Fixed Assets Funds	Total Funds 2014	Total Funds Period 2013
Incoming Resources						
<i>Incoming resources from general funds:</i>						
Voluntary Income	2	44,383	180,410	-	224,793	-
Voluntary Income-transfer from local authority on conversion	3	-	53,954	13,922	67,876	-
Activities for generating funds	4	27,359	940	-	28,299	-
<i>Incoming resources from charitable activities</i>						
Funding for the academy trust's educational operations	5	-	661,959	-	661,959	71,651
Total Incoming Resources		71,742	897,263	13,922	982,927	71,651
Resources Expended						
<i>Cost of generating Funds</i>						
Cost of generating voluntary income	6	15,062	-	-	15,062	-
<i>Charitable activities</i>						
Academy Trust educational operations	7	97,449	797,565	3,566	898,580	6,308
Governance Cost	8	9,150	1,825	-	10,975	3,000
Other resources expended-transfer from local authority on conversion	3,20	-	104,000	-	104,000	-
Total resources expended		121,661	903,390	3,566	1,028,617	9,308
Net incoming / (outgoing) resources before transfers		(49,919)	(6,127)	10,356	(45,690)	62,343
Gross transfers between funds		-	-	-	-	-
Net income/(expenditure for the year)		(49,919)	(6,127)	10,356	(45,690)	62,343
Reconciliation of Funds						
Funds b/f at 1 September 2013		-	62,343	-	62,343	-
Funds c/f at 31 August 2014		(49,919)	56,216	10,356	16,653	62,343

All of the trust's activities derive from continuing operations during the above financial period. £67,876 of voluntary income and £104,000 pension deficit of the trust's activities derive from acquisitions in the current financial period.

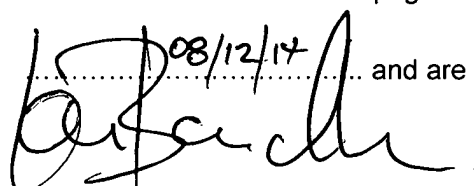
Rochester Diocesan Multi-Academy Education Trust
Balance Sheet as at 31 August 2014

Company number: 8270657

	Notes	2014 £	2014 £	2013 £	2013 £
Fixed Assets					
Tangible assets	12		25,473		-
Current assets					
Debtors	13	91,668		550	
Cash at Bank and in Hand		<u>178,522</u>		<u>65,372</u>	
		270,190		65,922	
Liabilities					
Creditors: Amounts falling due within one year	14	<u>(175,010)</u>		<u>(3,579)</u>	
Total current assets			<u>95,180</u>	<u>62,343</u>	
Total assets less current liabilities			120,653	62,343	
Pension liability	20		(104,000)		-
Net assets including pension liability			<u><u>16,653</u></u>	<u><u>62,343</u></u>	
Funds of the Academy Trust:					
Restricted Funds					
Fixed asset fund	15		10,356		-
General Fund	15		<u>56,216</u>	<u>62,343</u>	
Total restricted funds			<u><u>66,572</u></u>	<u><u>62,343</u></u>	
Unrestricted income funds					
General fund	15		<u>(49,919)</u>	<u>-</u>	
Total unrestricted funds			<u><u>(49,919)</u></u>	<u><u>-</u></u>	
Total Funds			<u><u>16,653</u></u>	<u><u>62,343</u></u>	

The financial statements on pages 19 to 32 were approved by the Directors and authorized for issue on

08/12/14 and are signed on their behalf by:



Ian Bauckham
Chair of Directors

Rochester Diocesan Multi-Academy Education Trust
Cash flow Statement for the Year Ended 31 August 2014

	Notes	2014 £	2013 £
Net cash inflow from operating activities	17	134,840	65,372
Capital Expenditure	18	(21,690)	-
(Decrease) / Increase in cash in the year	19	<u>113,150</u>	<u>65,372</u>
Reconciliation of net cash to movements in funds			
Net funds at 1 September 2013		65,372	-
Net funds at 31 August 2014		<u>178,522</u>	<u>65,372</u>

Rochester Diocesan Multi-Academy Education Trust

Notes to the Financial Statements for the Period Ended 31 August 2014

1. Statement of Accounting Policies

Basis of accounting:

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Charity Commission Statement of Recommended Practice "Accounting and Reporting by Charities" issued in March 2005 (SORP 2005), the Academies Accounts Direction issued by the Education Funding Agency and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

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 Trust to continue as a going concern. The Directors make this assessment in respect of a period of one year from the date of approval of the financial statements. Funding has been secured which the Directors believe will enable the company to meet its liabilities as they fall due over the next 12 months. The Directors therefore believe the company to be a going concern.

Incoming resources:

All incoming resources are recognised when the Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

Grants receivable:

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

Donations:

Donations are included in the statement of financial activities on a cash received basis or on an accruals basis where they are assured with reasonable certainty and are receivable at the balance sheet date.

Resources expended:

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

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets:

All assets costing more than £1,000 and with an expected useful life exceeding one year are capitalised. Depreciation is charged on a straight line basis beginning in the year in which the asset is brought into use at the following annual rates;

- | | |
|---------------------------|----------|
| • Furniture and equipment | 25% p.a. |
| • Computer equipment | 25% p.a. |
| • Software | 33% p.a. |

Rochester Diocesan Multi-Academy Education Trust

Notes to the Financial Statements for the Period Ended 31 August 2014

1. Statement of Accounting Policies (Continued)

Liability recognition:

Liabilities are recognised when an obligation arises to transfer economic benefits as a result of past transactions or events.

Charitable activities:

These are costs incurred on the Trust's educational operations.

Governance costs:

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

Fund accounting:

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

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

Restricted general funds comprise all other restricted funds received and include grants from the DfE.

Taxation:

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

Pensions:

Some staff are members of one of the three types of the defined benefit pension schemes. More details of the schemes are given in note 21.

Defined Benefit Schemes:

Teachers' Pension Scheme:

Full time and part-time teaching staff employed under a contract of service are eligible to contribute to the Teacher's Pension Scheme (TPS). The TPS is a statutory, contributory final salary scheme is administered by Capita Teachers' Pensions on behalf of the Education Funding Agency. As the trust is unable to identify its share of the underlying (notional) assets and liabilities of the scheme, the trust has taken advantage of the exemption in Financial Reporting Standards (FRS) 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The pension costs for the scheme represent the contributions payable by the group in the year.

Local Government Pension Scheme:

Non-teaching members of staff are offered membership of the local Government Pension Scheme (LGPS), which is managed by the London Borough of Bromley. The LGPS is a defined benefit pension scheme and is able to identify the trust's share of assets and liabilities and requirements of FRS 17, Retirement Benefits, have been followed.

Rochester Diocesan Multi-Academy Education Trust

Notes to the Financial Statements for the Period Ended 31 August 2014

1. Statement of Accounting Policies

The Trust's share of the LGPS assets is measured at fair value at each balance sheet date. Liabilities are measured on an actuarial basis using the projected unit method. The net of these two figures is recognised as an asset or liability on the balance sheet. Any movement in the asset or liability between balance dates is reflected in the statement of financial activities.

The Chief Executive & Accounting Officer is not a Member of a Pension Scheme.

The Head of Finance is a Member of the Diocesan Board of Finance Contributory Pension Scheme.

Directors' and Officers' Insurance:

In accordance with normal commercial practice the Trust has purchased insurance to protect Directors and Officers from claims arising from negligent acts, errors or omissions occurring whilst on Trust business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the period ended 31 August 2014 was £404.

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 amount as stated in the memorandum and articles of association for the debts and liabilities contracted before he/she ceases to be a member.

Related Party Transactions:

Owing to the nature of the Academy's operations and the composition of the Board of Directors being drawn from local, public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the Board of Directors may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures.

Rochester Diocesan Multi-Academy Education Trust
Notes to the financial Statements for the Period Ended 31 August 2014
(Continued)

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Assets Fund	Total Funds 2014	Total Funds Period 2013
2 Voluntary Income					
Private sponsorship	44,383	-	-	44,383	-
Other donations	-	180,410	-	180,410	-
	<u>44,383</u>	<u>180,410</u>	<u>-</u>	<u>224,793</u>	<u>-</u>

3 Voluntary income-transfer from local authority on conversion

On 1 April 2014, St John's CE Primary School converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Rochester Diocesan Multi-Academy Education Trust Ltd from London Borough of Bromley Local Authority for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding amount recognised as incoming resources for assets and resources expended for liabilities in the Statement of Financial Activities as other resources expended.

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

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Assets Fund	Total Funds 2014
Assets				
Tangible fixed assets	-	-	13,922	13,922
Budget surplus	-	53,954	-	53,954
Total assets	<u>-</u>	<u>53,954</u>	<u>13,922</u>	<u>67,876</u>
Liabilities				
LGPS Pension deficit	-	(104,000)	-	(104,000)
Net assets / (liabilities)	<u>-</u>	<u>(50,046)</u>	<u>13,922</u>	<u>(36,124)</u>

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Assets Fund	Total Funds 2014	Total Funds Period 2013
4 Activities for Generating Funds					
Catering income	27,359	-	-	27,359	-
School Trips	-	940	-	940	-
	<u>27,359</u>	<u>940</u>	<u>-</u>	<u>28,299</u>	<u>-</u>

Rochester Diocesan Multi-Academy Education Trust
Notes to the financial Statements for the Period Ended 31 August 2014
(Continued)

5 Funding for the Academy Trust's Educational Operations

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Assets Fund	Total Funds 2014	Total Funds Period 2013
DfE / EFA revenue grants					
General Annual Grant (GAG)	-	468,488	-	468,488	
Start Up-Capacity Grant	-	-	-	-	71,651
Conversion Grants	-	75,000	-	75,000	-
School Improvement Grants	-	115,000	-	115,000	-
	<u>-</u>	<u>658,488</u>	<u>-</u>	<u>658,488</u>	<u>71,651</u>
Other government grants					
Local authority grants	-	3,471	-	3,471	-
	<u>-</u>	<u>661,959</u>	<u>-</u>	<u>661,959</u>	<u>71,651</u>

Resources Expended

	Staff Costs	Non Pay Premises	Expenditure Other	Total 2014	Total 2013
6 Cost of generating voluntary income	-	-	15,062	15,062	-
Academy's educational operations:					
• Direct Costs	234,785	46,772	-	281,557	-
• Allocated support costs	230,798	267,492	118,733	617,023	-
	<u>465,583</u>	<u>314,264</u>	<u>133,795</u>	<u>913,642</u>	<u>-</u>

7 Charitable Activities

	Total 2014	Total Period 2013
Direct Costs – educational operations		
Teaching and educational support staff costs	234,785	-
Technology costs	8,225	-
Educational Supplies	6,644	-
Staff development	677	-
Educational consultancy	19,308	-
Other direct costs	11,918	-
	<u>281,557</u>	<u>-</u>
Support Costs – educational operations		
Support staff costs	230,798	-
Depreciation	10,138	-
Technology costs	20,084	-
Recruitment and support	19,474	-
Maintenance of premises and equipment	8,370	-
Cleaning	9,140	-
Rent and rates	185,804	-
Energy costs	3,994	-
Insurance	13,006	-
Security and Transport	2,316	-
Bank charges	212	-
Other costs	113,687	-
	<u>617,023</u>	<u>-</u>
Total direct and support costs	<u>898,580</u>	<u>-</u>

Rochester Diocesan Multi-Academy Education Trust
Notes to the financial Statements for the Period Ended 31 August 2014
(Continued)

8 Governance Costs

	Total 2014	Total Period 2013
Legal and professional fees	3,475	1,500
Auditor's remuneration		
• Audit of financial statements	7,000	1,500
• Other Audit costs	500	-
Trustees' reimbursed expenses		-
	<u>10,975</u>	<u>3,000</u>

9 Staff

	Total 2014	Total Period 2013
a Staff Costs		
Staff costs during the period were:		
Wages and salaries	355,016	-
Social security costs	26,167	-
Pension costs	56,072	-
	<u>437,255</u>	<u>-</u>
Supply staff costs	18,100	-
	<u>455,355</u>	<u>-</u>

b Staff numbers

The average number of persons employed by the trust during the year expressed as full time equivalents was as follows:

	2014 No.	2013 No.
Charitable activities		
Teachers	13	-
Administration and support	19	-
Management	3	-
	<u>35</u>	<u>-</u>

c Higher paid staff

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

10 Related Party Transactions - Directors' remuneration and Expenses

The Chief Executive Officer only receives remuneration in respect of his services provided undertaking the role of chief executive and not in respect of his services as trustee. Other trustees did not receive any payments or reimbursement of expenses during the year. The value of trustees' remuneration was as follows;

A Khan Chief Executive and Director £55,000-£60,000 (2013-£nil)

During the year ended 31 August 2014, travel and subsistence expenses reimbursed to one trustee totaled £1,073. No other related party transactions involving trustees occurred in the financial year.

Rochester Diocesan Multi-Academy Education Trust
Notes to the financial Statements for the Period Ended 31 August 2014
(Continued)

11 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 year ended 31 August 2014 was £800 (2013: £nil). The cost of this insurance is included in the total insurance cost.

12 Tangible Fixed Assets

	Computer Equipment	Software	Total
Cost			
At 1 September 2013	-	-	-
Additions	6,865	14,825	21,690
Transfer from local authority on conversion	13,922	-	13,922
Disposals	-	-	-
At 31 August 2014	<u>20,787</u>	<u>14,825</u>	<u>35,612</u>
Depreciation			
At 1 September 2013	-	-	-
Charge in the year	5,197	4,942	10,139
Disposals	-	-	-
At 31 August 2014	<u>5,197</u>	<u>4,942</u>	<u>10,139</u>
Net Book Value			
At 31 August 2014	<u>15,590</u>	<u>9,883</u>	<u>25,473</u>
At 31 August 2013	-	-	-

13 Debtors

	Total 2014	Total 2013
Trade debtors	800	-
Vat recoverable	36,914	550
Other debtors	53,954	-
	<u>91,668</u>	<u>550</u>

14 Creditors: Amounts falling due within one Year

	Total 2014	Total 2013
Trade creditors	92,205	2,079
Taxation and Social security	30,091	-
Other creditors	22,330	1,500
Accruals and deferred income	30,384	-
	<u>175,010</u>	<u>3,579</u>
Deferred income		
Deferred income 1 September 2013	-	-
Resources deferred in the year	30,384	-
Amounts released from previous years	-	-
Deferred income 31 August 2014	<u>30,384</u>	<u>-</u>

Rochester Diocesan Multi-Academy Education Trust
Notes to the financial Statements for the Period Ended 31 August 2014
(Continued)

15 Analysis of funds

	Balance at 1 September 2013	Incoming resources	Resources expended	Gains, Losses and Transfers	Balance at 31 August 2014
Restricted General Funds					
General Annual Grant	-	468,488	(468,488)	-	-
Capacity Grant	62,343		(62,343)	-	-
Conversion Grants	-	75,000	(63,056)	-	11,944
School Improvement Grants	-	115,000	(8,591)	-	106,409
DBE "gift"-Use of school buildings	-	180,410	(180,410)	-	-
Educational Trips	-	940	-	-	940
Other Local Authority funding	-	57,425	(16,502)	-	40,923
Pension Reserve	-	-	(104,000)	-	(104,000)
	62,343	897,263	903,390	-	56,216
Restricted Fixed Assets Funds					
Transfer from local authority on conversion	-	13,922	(3,566)	-	10,356
	-	13,922	(3,566)	-	10,356
Total Restricted Funds	62,343	911,185	906,956	-	66,572
Unrestricted Funds					
Unrestricted funds	-	71,742	(121,661)	-	(49,919)
	-	71,742	(121,661)	-	(49,919)
Total Funds	62,343	982,927	(1,028,617)	-	16,653

16 Analysis of Net Assets between Funds

Fund balances as at 31 August 2014 are represented by:

	Unrestricted Funds	Restricted General Funds	Restricted Fixed Assets Funds	Total Funds 2014
Tangible fixed assets	2,111	13,006	10,356	25,473
Current assets	30,584	232,288	7,318	270,190
Current liabilities	(82,614)	(85,078)	(7,318)	(175,010)
Pension scheme liability	-	(104,000)	-	(104,000)
Total net assets	(49,919)	56,216	10,356	16,653

Rochester Diocesan Multi-Academy Education Trust
Notes to the financial Statements for the Period Ended 31 August 2014
(Continued)

17 Reconciliation of Net Income to Net Cash Inflow from Operating Activities

	2014 £	2013 £
Net (expenditure) / income	(45,690)	62,343
Depreciation	10,138	-
Fixed assets transferred from local authority	(13,922)	-
Pension deficit on conversion	104,000	-
(Increase) / decrease in debtors	(93,385)	(550)
Increase / (decrease) in creditors	173,699	3,579
Net Cash Inflow from Operating Activities	<u>134,840</u>	<u>65,372</u>

18 Capital expenditure and Financial Investments

Purchase of fixed assets	(21,690)	-
Net Cash outflow from capital expenditure and financial investments	<u>(21,690)</u>	<u>-</u>

19 Analysis of Changes In Net Funds

	At 1 September 2013	Cash flows	At 31 August 2014
Cash in hand and at bank	65,372	113,150	178,522
	<u>65,372</u>	<u>113,150</u>	<u>178,522</u>

20 Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £39,185, of which employer's contributions totaled £30,952 and employees' contributions totaled £8,233. The agreed contribution rates for future years are 16.3 per cent for employer's normal contributions, 8% deficit funding contributions and 5.9 per cent for employees.

Parliament has agreed, at 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

An actuarial valuation was performed with an effective date of 31 March 2013. The valuation has been updated to reflect the market conditions at the date of admission (1 April 2014). These accounts do not include details of movements between 1 April 2014 and 31 August 2014 as this information was not available.

The scheme is currently in deficit and, subject to review at the 2016 actuarial valuation, a deficit recovery period of 5 years has been set. Additional employer deficit contributions are set at a rate of 8% of pensionable pay per annum.

Rochester Diocesan Multi-Academy Education Trust
Notes to the financial Statements for the Period Ended 31 August 2014
(Continued)

20 Local Government Pension Scheme (continued)

Principal Actuarial Assumptions

	At 31 August 2014	At 31 August 2013
Rate of increase in salaries	4.00%	-
Rate of increase for pensions in payment/inflation	2.50%	-
Discount rate for scheme liabilities	5.25%	-
Inflation assumptions (CPI)	2.50%	-
Commutation of pensions of pensions to lump sums	50.00%	-

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 2014	At 31 August 2013
<i>Retiring today</i>		
Males	23.0	-
Females	25.4	-
<i>Retiring in 20 years</i>		
Males	25.3	-
Females	28.3	-

Amounts recognised in the statement of financial activities

	2014	2013
Current service cost (net of employee contributions)	30,952	-
Past service cost	-	-
	<u>30,952</u>	<u>-</u>

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

	2014	2013
At 1 April 2014	(255,000)	
Current service cost	-	-
Interest cost	-	-
Employee contributions	-	-
Actuarial (gains)/loss	-	-
Benefits paid	-	-
Past service cost	-	-
Curtailements and settlements	-	-
At 31 August 2014	<u>(255,000)</u>	<u>-</u>

Rochester Diocesan Multi-Academy Education Trust
Notes to the financial Statements for the Period Ended 31 August 2014
(Continued)

20 Local Government Pension Scheme (continued)

Movements in fair value of academy's share of scheme assets:

	2014	2013
At 1 April 2014	151,000	
Expected return on assets	-	-
Actuarial gain / (loss)	-	-
Employer contribution	-	-
Employee contributions	-	-
Benefits paid	-	-
At 31 August 2014	<u>151,000</u>	<u>-</u>

The five year history of experience adjustments is as follows:

	2014	2013
Present value of defined benefit obligations	(255,000)	-
Fair value of share of scheme assets	151,000	-
Deficit in the scheme	(104,000)	-
Experience adjustments on share of scheme assets		
Amount	n/a	-
Experience adjustments on share of scheme liabilities		
Amount	n/a	-