

Company Registration Number: 08643881 (England and Wales)

NEW HALL MULTI ACADEMY TRUST

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2018



NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members

New Hall School Trust (the Principal Sponsor)
Dr C P Goddard (resigned 30 March 2018)
Mr J Aldridge
Dr M Edelsten
Mr V Marley
Mrs P Wilson
Dr P Tiffen (appointed 2 July 2018)

Trustees

Dr P Tiffen, Chair of Trustees (appointed 2 July 2018)
Dr C P Goddard, Chair of Trustees (resigned 30 March 2018)
Mrs K A Jeffrey, Accounting Officer
Mr J Westnedge
Mrs S Kightley
Mrs J E Croom
Mr A Moulton (appointed 2 July 2018)

Company registered number

08643881

Company name

New Hall Multi Academy Trust

Registered office

The Avenue, Boreham, Chelmsford, Essex, CM3 3HS

Principal operating office

The Avenue, Boreham, Chelmsford, Essex, CM3 3HS

Local governing body - Messing Primary School

Rev A-M Renshaw, Chair of Governors (Parent Governor)
Mrs J Halliday (ex officio as Headteacher)
Mrs S Kightley (Trustee)
Mr P Bray (Resigned July 2018)
Mrs L Cooper (Resigned as Parent Governor. Appointed as Community Governor Sept 2018)
Mr S Charles-Carberry (Appointed Parent Governor Sept 2018)
Mr W Davenport
Mrs J Farrow (End of term of office August 2018)
Mr R Field (Appointed July 2018)
Mrs J Harvey
Mrs N Southgate (Staff Governor. End of term of office August 2018)
Miss F Imrie (Appointed Staff Governor Sept 2018)
Mr B Rhodes (Vice Chair)
Mrs C Ford (Parent Governor)

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2018**

Advisers (continued)

Senior management team

Mrs J Halliday, Headteacher
Mrs D Came, Chief Financial Officer

Independent auditors

Haslers, Old Station Road, Loughton, Essex, IG10 4PL

Bankers

Lloyds Bank PLC, High Street, Colchester, Essex

Solicitors

Birketts LLP, Providence House, 141-145 Princes Street, Ipswich, Suffolk, IP1 1QJ

NEW HALL MULTI ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for 1 September 2017 to 31 August 2018. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The company operates one academy, Messing Primary School, which converted to an academy on 1 September 2013 and serves pupils from Messing and the surrounding areas. The school has a registered pupil capacity of 84, and had a roll of 79 in the school census on 1 October 2017 and 83 on roll in the Summer Term 2018.

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, governance and management

a. CONSTITUTION

New Hall Multi Academy Trust ('NHMAT') is a company limited by guarantee and an exempt charity. The company was incorporated on 8 August 2013. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The trustees of NHMAT for the purposes of charity legislation are also the directors of the charitable company for the purposes of company law.

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

b. MEMBERS' LIABILITY

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

c. TRUSTEES' INDEMNITIES

In accordance with the provisions of the articles of association, every director shall be indemnified out of the assets of the company to the fullest extent permissible by law. NHMAT has also purchased indemnity insurance.

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF DIRECTORS

The method of appointment of the directors is set out in the articles of association as follows:

- Up to 6 directors may be appointed by the Members of NHMAT.
- The Principal of New Hall School is a director ex- officio.
- The members may appoint one or more Staff Directors.

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

Two Parent Directors are required, unless the Local Governing Body has 2 Parent members. Parent Directors may be elected or appointed in accordance with terms of reference agreed by the Directors. Parent Directors or Parent members of the Local Governing Body should be a parent of a registered pupil at the academy. Where it is not reasonably practical to appoint a parent of a registered pupil at the academy, then the Directors may appoint a parent of a child of compulsory school age. During the year to 31 August 2018, the Local Governing Body has two Parent members appointed as the parents of registered pupils at the academy.

The minimum number of directors is three. There is no maximum number.
The members will take account of the skills needed by the board when appointing new members.

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

All directors are offered the opportunity to attend training courses offered by appropriate professional training providers, including Governor training from Essex County Council Governor Support Services. New directors will be provided with all essential documentation needed to undertake their role, including the memorandum and articles of association, the schemes of delegation, the master and supplementary funding agreements, NHMAT's financial regulations manual, the latest accounts and budgets and the DfE Academies Financial Handbook.

f. ORGANISATIONAL STRUCTURE

The Board of Directors have overall responsibility for the management of NHMAT. The accounting officer is the Principal of New Hall School Trust. The board have approved a scheme of delegation in order to delegate responsibility for the day to day management of Messing Primary School to the Headteacher and the Local Governing Body and its sub-committees.

g. ARRANGEMENTS FOR SETTING PAY AND REMUNERATION OF KEY MANAGEMENT PERSONNEL

No trustees received any pay or other remuneration from the academy trust, including the accounting officer, Mrs K Jeffrey.

The remuneration of the Headteacher of Messing Primary is decided by the Headteachers' Pay Committee, a sub-committee of the main board. This committee takes account of national pay scales for schools of a similar size and the annual performance review when making its decision.

Trade union facility time

New Hall Multi-Academy Trust has no employees who were relevant union officials during this reporting period.

h. RELATED PARTIES AND OTHER CONNECTED CHARITIES AND ORGANISATIONS

The Principal Sponsor of NHMAT is New Hall School Trust (NHST) (a company limited by guarantee and a registered charity). The members of NHMAT are New Hall School Trust, the Chair of NHMAT Board of Directors and members of the governing body of NHST. The Principal of NHST, Mrs Jeffrey, is a director of NHMAT ex-officio and other directors are appointed by the members of NHMAT. Two directors of NHMAT, Mr Westnedge and Mrs Croom are members of the governing body of NHST. Two other directors of NHMAT, Dr Tiffen (appointed 2 July 2018; Dr Goddard resigned 30 March 2018) and Mr Moulton (appointed 2 July 2018) are employed by NHST.

The Sponsor assists the academy by providing specialist teaching staff for PE, maths and SEN, by sharing best practice in teaching and learning and shared academic staff training. Guidance and assistance is given for the support functions of Human Resources, financial management, property maintenance, Health & Safety, IT developments and marketing and publicity. Pupils at the academy receive swimming lessons in the swimming

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

pool at New Hall School once a week. No charge has been made by the Sponsor during the period for this support.

Objectives and Activities

a. OBJECTS AND AIMS

The objects of the company are set out in the memorandum and articles of association. The main object is to advance, for the public benefit, education in the United Kingdom establishing, maintaining, carrying on and managing and developing academy schools which offer a broad and balanced curriculum for pupils of different abilities.

Currently the main object is being achieved by the operation of Messing Primary School as an academy. In the medium term, the possibility of managing further primary school academies within the mid-Essex area will be considered.

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

The main objectives of NHMAT for 2017/18 were:

- To look for opportunities to sponsor one or two local primary schools within NHMAT

The main objectives of Messing Primary School for 2017/18 are summarised below:

- To ensure high expectations and standards in non core subjects
- To increase the number of pupils working at age expectation or above in writing and maths across the school
- The school will submit a CIF bid for a new school hall and improved catering facilities

c. PUBLIC BENEFIT

The trustees confirm that they have complied with their duty as charity trustees to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. The academy trust receives the majority of its income from the Department for Education for the provision of educational services. The main aim of NHMAT is to advance, for the public benefit, education in the UK. This has been achieved by the provision of education at Messing Primary School. In the 2017/18 academic year, Messing Primary School roll increased significantly ahead of target, to 83 pupils by September 2018. Messing Primary School was rated by Ofsted as 'good with outstanding leadership and management, outstanding personal development, behaviour and welfare, and outstanding Early Years provision' in 2018.

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TRUSTEES' REPORT (continued)
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Strategic report

a. KEY PERFORMANCE INDICATORS

1. Academic Progress

The key performance indicators for the academic progress of the school are the internal teacher assessment of progress and attainment for each year group against expected standards in reading, writing and mathematics for each year group, together with national assessment data. 2018 was the third year of new standards for measuring attainment and progress in schools.

Key Stage 2 Results

Attainment

The 2018 national assessment of attainment at the end of Key Stage 2 (KS2) is based on the national curriculum tests (SATS) for Year 6 in English reading, grammar, punctuation and spelling, and mathematics, and on teacher assessment of English writing. The school was moderated for writing. There were 13 pupils in this cohort. The provisional results are as follows:

	% of pupils achieving the expected standard Messing	% of pupils achieving the expected standard Essex/National	% of pupils achieving the higher standards Messing 2018	% of pupils achieving the higher standards Essex/National
Reading	69%	77/75%	31%	28%/28%
Writing(TA)	77%	79/78%	46%	22%/20%
GPS	85%	78/78%	38%	34%/34%
Maths	77%	77/76%	38%	23%/24%
Science	92%	82%	-	-
RWM	62%	65%/64%	23%	10%/11%

Average scaled score (expected standard is 100)			
	Messing	All Essex schools	All schools in England
Reading - SATS test	105	105	105
Grammar, punctuation & spelling – SATS test	108	106	106
Mathematics - SATS test	107	104	104

Progress

The average progress score is a national measure of the average for the school of the progress made by pupils from the end of Key Stage 1 (KS1) to the end of primary school. It compares the progress made by pupils with pupils at a similar starting point in other schools, based on KS1 assessment data. The results are as follows:

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Progress measures from KS1 to KS2.

	Messing	Essex	National
Reading	-1.3	-0.2	0
Writing	1.6	0.0	0
Maths	1.5	0.2	0

Floor Standard

The floor standard is the minimum standard for pupil attainment and / or progress that the government expects schools to meet. The school is above floor for the progress measure.

Key Stage 1 Results

The 2018 assessment for Key Stage 1 (KS1) is based on teacher assessment of Year 2 pupils, including the results of the appropriate national curriculum tests (SATs). The Year 2 class comprises 12 pupils. The results are as follows:

Pupils working at or above the expected standard			
	Messing	All Essex schools	All schools in England
Reading	83%	77%	75%
Writing	67%	71%	70%
Mathematics	75%	77%	76%
Reading, Writing & Mathematics combined	67%	67%	65%
Science	83%	84%	83%

Pupils working at greater depth within expected standard			
	Messing	All Essex schools	All schools in England
Reading	33%	28%	26%
Writing	33%	18%	16%
Mathematics	33%	23%	22%
Reading, Writing & Mathematics combined	25%	13%	11%

Year 1 Phonics Screening

In the Year 1 class 91% of pupils passed the phonics screening assessment (all Essex schools 84%, all schools in England 83%). In Year 2, all pupils who were not successful in passing the assessment in Year 1 were successful in passing the assessment.

Early Years Foundation Stage

This year had a small cohort of 7 pupils. In the Reception class 71% of pupils were assessed as having a good level of development (all Essex schools 74%, all schools in England 72%).

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2. Pupil Numbers

The key performance indicator for the long term stability of the school is pupil numbers. The school has agreed a Published Admissions Number (PAN) of 84 (12 pupils per year group). Pupil numbers have grown significantly since the school converted to an academy in 2013, with 78 pupils on roll at the start of 2017/18, and 83 by the end of the academic year. In September 2018 the new academic year started with 79 pupils on roll and this has now risen to 83. The school has reviewed the physical capacity of its buildings and concluded that it is not possible to increase the PAN above 84.

3. Financial benchmarks

In addition to monitoring the financial performance against the approved budget, the school has started to develop financial benchmarks in order to monitor trends over time as follows:

	2017/18	2016/17
Number of pupils-October census	79	79
GAG income per pupil	£5.2k	£5.3k
Total income per pupil	£6.3	£6.6k
Staff costs as % of total income	75%	67%
Staff costs as % of GAG income	90%	84%
Teaching staff costs as % of total staff costs	64%	63%
Non-staff costs as % of total income	25%	31%

b. GOING CONCERN

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy 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.

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TRUSTEES' REPORT (continued)
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Financial review

a. RESERVES POLICY

The level of reserves is kept under review by the Directors when setting the annual budget. This review takes account of projected income and expenditure, so far as this can be ascertained. Reserves are needed to provide sufficient working capital to maintain the day to day running of the school, to meet unexpected emergency costs such as maintenance and replacement of assets and to provide sufficient funds to meet any shortfall in funding in future years. Due to the accounting rules under FRS 102, NHMAT is required to set up a reserve fund to meet the liability for the shortfall in the Local Government Pension Scheme (LGPS) attributable to the membership of non-teaching members of staff at Messing Primary School. The deficit at 31 August 2018 is £121,000 (£128,000 deficit as at 1 September 2017). Monthly contributions are being made to the scheme to address this shortfall as agreed with the scheme administrators. The recognition of this deficit has no direct impact on the free reserves of NHMAT.

NHMAT's free reserves (total funds less the amount held in fixed assets and pension reserve) as at 31 August 2018 are £187,483 (31 August 2017 £188,373) (see Note 17). The target level of these reserves is to hold about 10% of normal revenue income, approximately £50,000.

b. REVIEW OF ACTIVITIES

Performance against the key objectives for 2017/18 is as follows:

Objectives for NHMAT:

To continue to look for opportunities to sponsor one or two local primary schools within NHMAT.

Opportunities with local schools have been pursued during the year, however no further sponsorship relationships have developed. Opportunities will continue to be explored as these arise in the future.

Objectives for Messing Primary School

Objective 1: To ensure high expectations and standards in non-core subjects

A focus on history and DT this year:

History

Inset was provided for teachers on mastery and progression of history skills. The curriculum overview was further developed with clear links to progression within the four areas of history skills. Teachers use this as a reference when planning. Subject leaders are tracking performance against 'expected and exceeding', using milestones. Teachers are now more confident about how to challenge higher attaining pupils. The number of pupils achieving above expected levels is 19%.

DT

Resources were audited and items purchased to link with IT control technology. Long and medium term planning was reviewed to assess coverage of skills and inset training provided for staff. Teachers are now more confident about planning and delivering DT. The number of pupils achieving above expected levels is 16%.

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Objective 2: To develop leadership skills through opportunities to lead on Quality First teaching throughout the school. Focus to be language and communication skills.

Middle leaders worked with colleagues from collaborative group as part of a 'Quality First teaching' group, with the focus on collaborative learning skills. Kagan structures were shared with staff and trialled in lessons as part of lesson study approach.

Objective 3: To increase the number of pupils working at age expectation or above in writing across the school.

End of year results for KS2 Year 6 improved in 2017/18. The percentage of pupils attaining expected standards in Reading, Writing and Mathematics combined increased to 62% 17/18 (from 42% 2016; 22% 2017). Results can vary dependent on each cohort.

Pupils attaining the higher standard in Reading, Writing and Mathematics combined increased from nil pupils in 2016 or 2017 to 23% in 2018, well above the national average.

Objective 4: To maintain and continue to develop the progress made last year in maths planning, teaching and assessment. To continue to embed mastery and the use of visual models.

Attainment in maths increased this year. KS2 progress measure are above Essex and National averages.

Objective 5: To introduce extended school provision - 'Smiley club'.

Smiley club was attended by a regular group of pupils. Offering this facility supports with pupil intake numbers and contributed to a full intake in 2018.

Objective 6: To further develop the use of the outdoor space as learning environment.

The school allotment developed, including initiatives with the Rural Community Council and local community. The school allotment forms part of lessons and is used regularly by pupils with parental support. Pupils are growing 25 trees donated by the Essex Wildlife Trust. This is an on-going project.

Objective 7: The school will submit a CIF bid for a new school hall and improved catering facilities.

The school worked with advisors to re submit 2 bids - for a Condition Improvement Fund grant; to extend or replace the existing school hall and kitchen area and; to replace the boiler and oil tank.

The bids were re-submitted but unsuccessful. The bid for replacement boiler and oil tank was scored highly and an appeal was made, but this was also unsuccessful. A further submission will be made in 2018/19 for a replacement boiler.

c. INVESTMENT POLICIES

NHMAT has a policy of investing cash balances with a view to maximising returns, while ensuring that there is no risk to the capital, and that the funds are available when needed in line with cash flow projections.

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TRUSTEES' REPORT (continued)
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d. PRINCIPAL RISKS AND UNCERTAINTIES

The major risks to which NHMAT is exposed, as identified by the trustees, have been reviewed, and systems or procedures have been established to manage those risks. The principal risks include those relating to finances, academic performance, safeguarding and health and safety. NHMAT has developed policies and procedures to mitigate those risks where possible. Where significant financial risk still remains, NHMAT has taken out adequate insurance cover. There are effective systems of internal financial control (see also the Governance Statement). There has been a significant increase in pupil numbers in the 4 years since the school converted to an academy, and the school is close to reaching its capacity of 84 pupils. The school continues to invest in teaching staff and resources to raise academic achievement, and in marketing the school to the local community.

e. FINANCIAL REVIEW

NHMAT was incorporated on 8 August 2013, and took over the running of Messing Primary School on conversion to an academy on 1 September 2013. The principal source of funding for NHMAT is grants for Messing Primary School received from the Education Funding Agency, or the Local Authority, whose use is restricted to specific purposes. Details of all grants received are in note 5 to the accounts. In 2017/18 the General Annual Grant was £409,857, based on 82 pupils (2016/17 £417,998, based on 79 pupils). The academy has been able to maintain its investment in staffing, despite the reduction in income due to the level of reserves brought forward as at 1 September 2017 and the growth of pupil numbers at the academy since conversion.

f. FUNDRAISING

The majority of the school's income is from government grants and other associated income. NHMAT has not engaged with third parties to raise funds and any direct approach to members of the public for funding has been limited to parents of pupils and is financially insignificant. No complaints were received in relation to our fundraising activities.

Plans for future periods

a. FUTURE DEVELOPMENTS

In 2018/19 NHMAT will be continuing to look for opportunities to sponsor one or two local primary schools within NHMAT and to develop a sustainable 3 year financial plan.

The key objectives for Messing Primary School for 2018/19 include:

- to increase the number of pupils working at age expectation or above in writing and maths across the school
- to ensure high expectations and standards in non core subjects
- to build on the success of the extended school provision and develop facilities to support this

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TRUSTEES' REPORT (continued)
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DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 10 December 2018 and signed on its behalf by:



Dr P Tiffen
Chair of Trustees

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
Dr C Goddard, Chair of Trustees	2	2
Dr P Tiffen, Chair of Trustees	3	3
Mrs K A Jeffrey, Accounting Officer, Chair of Trustees	3	3
Mr J Westnedge	2	3
Mrs S Kightley	3	3
Mr A Moulton	3	3

Dr C Goddard was the Chair of the board of trustees until her resignation on 30 March 2018. Mr J Westnedge was acting Chair of the board until the appointment of Dr P Tiffen on 2 July 2018. Mr Moulton was appointed as trustee on 2 July 2018. There have been no other changes in the board of directors during the year.

During the year the board has maintained oversight of the governance arrangements for NHMAT and the Scheme of Governance, Management and Delegation originally approved in November 2013. No changes have been made during the year.

The Scheme of Governance, Management & Delegation permits the Directors to delegate such of their powers or functions that they can legally delegate to sub committees of the main board, or to the Local Governing Body. The main board agreed to establish a Finance & General Purposes Committee and a Headteacher's Pay, Pay and Pay Appeals Committee.

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GOVERNANCE STATEMENT (continued)

The reserved matters that can only be decided by the main board are:

- to change the name of the Academies or the Academy Trust;
- to change the Objects (which would require Charity Commission and Secretary of State consent in any event);
- to determine the educational character, mission or ethos of the Academies;
- to change the structure of the Board of Directors or the constitution and terms of reference of any committee of the Board of Directors;
- to alter or amend the Articles of Association or this Scheme;
- to pass a resolution to wind up an Academy or the Academy Trust;
- to establish a trading company;
- to sell, purchase, mortgage or charge any land in which the Academy Trust has an interest;
- to approve the annual estimates of income and expenditure (budgets) and major projects;
- to appoint auditors and investment advisers;
- to sign off the annual accounts;
- to appoint or dismiss the Chief Financial Officer (CFO), the Headteachers, the Company Secretary or the Clerk to the Directors;
- to settle the division of executive responsibilities between the Directors on the one hand and the Headteachers and the CFO on the other hand and to settle the division of executive responsibilities between those individuals
- to do any other act which the Funding Agreement expressly reserves to the Board of Directors or to another body (including for the avoidance of doubt, terminating the Funding Agreement or any part thereof);
- to do any other act which the Articles of Association expressly reserve to the Board of Directors or to another body; or
- to do any other act which the Board of Directors determine to be a Reserved Matter from time to time.

Finance & General Purposes Committee

The Finance & General Purposes Committee is a sub-committee of the main board. Its purpose is:

- to ensure that adequate financial and asset management systems are in place in NHMAT and the academy
- to review the annual budget of NHMAT (including the academy) and recommend it to the board for approval
- to review the annual accounts of NHMAT and recommend them to the board for approval
- to receive the report of the external auditors of NHMAT and ensure that any recommendations are acted upon
- to receive internal control recommendations in respect of the academy, after review by the Local Governing Body and ensure that any recommendations are acted upon
- to monitor income and expenditure during the year for NHMAT and the academy
- to ensure that adequate insurance arrangements are in place

It was agreed that the full board would carry out the functions of the finance & general purposes sub committee and that all members of the full board would also be members of the finance and general purposes sub committee.

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GOVERNANCE STATEMENT (continued)

Headteachers' Pay, Pay and Pay Appeals Committee

The Headteachers' Pay, Pay and Pay Appeals Committee is a sub-committees of the main board. Its purpose is:

- to determine the pay of the Headteacher of each Academy
- to carry out the performance management of the Headteacher of each Academy in consultation with the Chairman (or failing that the Vice Chairman) of the relevant LGB
- to carry out the performance management of the Principal Finance Officer and any other employees who are not working for an individual academy
- to determine the pay of the PFO and any other employees who are not working for an individual academy
- to consider pay appeals for employees who are not working for an individual academy

The committee met once during the year.

Local Governing Body Messing Primary School

In a supplementary document the board agreed the Constitution and Terms of Reference for the Local Governing Body of Messing Primary School. The terms of reference of the LGB are currently being redrafted but there will be no change to the principles described below.

The LGB shall comprise a maximum of 12 members ('Local Governors') to include:

- the Headteacher of the Academy
- at least two elected parent/guardian of a pupil at the Academy ("Parent Local Governor")
- one elected staff member employed at the Academy ("Staff Local Governors")
- such other members as the Directors decide

The purpose of, and the powers delegated to, the LGB are:

General

- to support the Headteacher in the creation, implementation and monitoring of the Academy Development Plan in the context of the Academy Trust's vision, aims and objectives
- to tailor Academy Trust template documents to local arrangements
- to ensure that the Academy implements and monitors the policies approved by the Directors
- to assist the Academy Trust in ensuring that the Academy is operated efficiently and in accordance with the Directors' agreed principles of governance.

Monitoring and Evaluation

- to monitor Academy KPIs
- to ensure that effective processes are in place for monitoring the Quality Assurance of teaching and learning, the curriculum, inclusion and the sharing of good practice across the Academy

Risk, Finances and Asset Management

- to ensure adequate financial and asset management systems are in place across the Academy
- to monitor the Academy's delegated budget and ensuring that any variances are reported to the Directors' Finance and General Purposes Committee for approval
- to monitor the local arrangements for the effective supervision of building maintenance and minor works
- to monitor the implementation of the Academy's health and safety policy in the Academy and the local arrangements for the effective supervision of health and safety matters

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GOVERNANCE STATEMENT (continued)

Governance

- to ensure that there is effective communication between the Academy Trust and the LGB
- to make arrangements for the appointment of staff, parent and local Governors
- to appoint from its number, local Governors with specific responsibilities for SEN, child protection and financial matters
- to establish an Exclusions Committee and Appeals Panel for reviewing decisions of the Headteacher in that respect
- to establish Appeals Panel in respect of staff redundancies or disciplinary hearings as required.
- to consult with the Directors on any proposals to establish any sub-committees other than temporary ad hoc sub-committees required to deal with specific issues

Staffing

- to support the Headteacher in the appointment of Academy staff to ensure that the Academy is fully staffed.
- to ensure that the Academy Trust's policies on all HR matters are implemented in the Academy
- to make recommendations to the Headteachers' Pay Committee in relation to the Academy Headteacher
- to monitor the implementation of Academy Trust's policies at the Academy for HR matters including the appointment, induction and performance management of staff, pay review process and procedures for dealing with disciplinary matters, grievances and dismissal.

Students

- to ensure that effective arrangements are in place for student support and representation at the Academy
- to ensure that the admission arrangements in the Academy conform to the code of practice
- to ensure effective arrangements are in place for student recruitment
- to ensure that student attendance and monitoring systems are in place to enable access to education is maintained at all times
- to establish arrangements for reviewing decisions of the Headteacher regarding exclusions.

Community and Parents

- to contribute to the development of the Academy prospectus
- to support the Academy and the Headteacher in the extended school provision in the Academy
- to ensure systems are in place in line with the Academy Trust's strategy at the Academy for effective communication with students, parents/carers, staff and the wider community including the establishment and support of a local Parent Teacher Association
- to implement a means whereby the Academy can receive and react to parental feedback
- to establish and maintain a relationship with the respective local elected community representatives

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Attendance at meetings in the year was as follows:

LGB Member	Meetings attended	Out of a possible
Mr P Bray	3	4
Mr W Davenport	4	4
Mrs L Cooper (parent governor)	4	4
Mrs J Farrow	2	4
Mrs J Halliday (ex-officio)	4	4
Mrs S Kightley	3	4
Rev A-M Renshaw (Chair)	4	4
Mrs J Harvey	3	4
Mr B Rhodes	2	4
Mrs N Southgate (staff governor)	0	4
Mrs C Frost (parent governor)	3	3

The LGB established the following sub-committees, which met as required during the year:

Finance, Premises & Personnel
Curriculum and Pupil Related Matters
Admissions
Discipline (Exclusions)
Pay
Pay Appeals
Staff Disciplinary/Dismissal
Staff Disciplinary/Dismissal Appeals

REVIEW OF VALUE FOR MONEY

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

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

- Promoting the school to ensure pupil numbers are maximised
- Setting targets for pupil progress and attainment
- Setting an annual cost savings plan
- Annual review of service and supply contracts to ensure these offer best value, negotiating new contracts as required and taking advantage of relevant group purchase schemes
- Promoting and maximising take up of school meals

NEW HALL MULTI ACADEMY TRUST
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GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of NHMAT 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 New Hall Multi Academy Trust for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the NHMAT is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the NHMAT's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The board of trustees has considered the need for a specific internal audit function and has decided to appoint EES for schools as internal auditor for Messing Primary School ('the academy'), including any financial transactions for NHMAT.

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

- testing of payroll systems
- testing of testing of governance, financial management and reporting
- testing of bank and cash controls
- testing of expenditure and asset controls

Following each review, the auditor reports to the board of trustees through the audit committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The internal auditor delivered the schedule of work as planned. All issues raised by the internal auditor were discussed by the LGB Finance, Personnel & Premises Committee, and the main board of directors. No material control issues, raised by the internal auditor, were identified. Financial control procedures in place at Messing Primary School prior to conversion continued in place. These were reviewed and updated as needed, and documented in NHMAT's Financial Regulations Manual.

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)


REVIEW OF EFFECTIVENESS

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the finance and general processes committee and the Local Governing Body and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 10 December 2018 and signed on their behalf, by:



Dr P Tiffen
Chair of Trustees



Mrs K A Jeffrey
Accounting Officer

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of New Hall Multi Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2017.

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



Mrs K A Jeffrey
Accounting Officer

Date: 10 December 2018

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

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

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

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

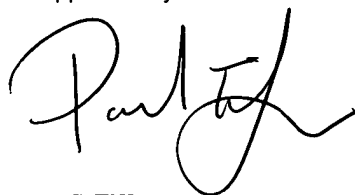
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 10 December 2018 and signed on its behalf by:



Dr P Tiffen
Chair of Trustees

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NEW
HALL MULTI ACADEMY TRUST**

OPINION

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

In our opinion the financial statements:

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

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the academy'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.

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NEW
HALL MULTI ACADEMY TRUST**

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

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

In preparing the financial statements, the Trustees are responsible for assessing the academy's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF NEW
HALL MULTI ACADEMY TRUST**

concern basis of accounting unless the Trustees either intend to liquidate the academy or to cease operations, or have no realistic alternative but to do so.

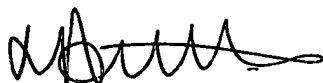
AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

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



Laura Ambrose (Senior statutory auditor)

for and on behalf of

Haslers

Chartered Accountants
Statutory Auditor

Old Station Road
Loughton
Essex
IG10 4PL
10 December 2018

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO NEW HALL
MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by New Hall Multi Academy Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF NEW HALL MULTI ACADEMY TRUST'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of New Hall Multi Academy Trust's funding agreement with the Secretary of State for Education dated 20 August 2013, and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

The work undertaken to draw to our conclusion includes:

- Review of governance procedures including inspection of Trustee and relevant Board minutes
- A Review of internal auditor reports
- A review of Financial Controls Procedures and related records
- Discussions with the Accounting Officer and the Business Manager
- *Reviewing the procedures for identifying and declaring related parties and other business interests*
- Assessment and testing of a sample of the specific control activities over regularity of a particular activity

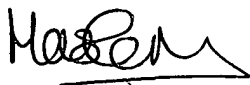
NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO NEW HALL
MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)**

- Perform sample testing of expenditure ensuring items are for the Trust's purposes and are appropriately authorised
- Carrying out substantive testing to cover authorisation of expenditure within internal delegated authorities and externally imposed limits.
- Obtaining formal representation from the Trustees and accounting officer acknowledging their responsibilities
- Scrutinising journals, and other adjustments posted during the year for evidence of unusual entries

CONCLUSION

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



Haslers

Chartered Accountants
Statutory Auditor

Old Station Road
Loughton
Essex
IG10 4PL

10 December 2018

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

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

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations and capital grants	2	3,264	8,819	-	12,083	12,685
Charitable activities	3	-	466,464	4,889	471,353	491,151
Other trading activities	4	24,325	-	-	24,325	13,378
Investments	5	415	-	-	415	367
TOTAL INCOME		28,004	475,283	4,889	508,176	517,581
EXPENDITURE ON:						
Raising funds		1,817	-	-	1,817	11,978
Charitable activities		16,317	514,442	21,326	552,085	549,305
TOTAL EXPENDITURE	6	18,134	514,442	21,326	553,902	561,283
NET BEFORE TRANSFERS		9,870	(39,159)	(16,437)	(45,726)	(43,702)
Transfers between Funds	17	-	2,399	(2,399)	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		9,870	(36,760)	(18,836)	(45,726)	(43,702)
Actuarial gains on defined benefit pension schemes	22	-	33,000	-	33,000	63,000
NET MOVEMENT IN FUNDS		9,870	(3,760)	(18,836)	(12,726)	19,298
RECONCILIATION OF FUNDS:						
Total funds brought forward		30,143	30,230	1,116,092	1,176,465	1,157,167
TOTAL FUNDS CARRIED FORWARD		40,013	26,470	1,097,256	1,163,739	1,176,465

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08643881

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	13		1,097,256		1,116,092
CURRENT ASSETS					
Stocks	14	1,843		1,790	
Debtors	15	29,535		20,639	
Cash at bank and in hand		195,566		219,782	
		<u>226,944</u>		<u>242,211</u>	
CREDITORS: amounts falling due within one year	16	(39,461)		(53,838)	
NET CURRENT ASSETS			<u>187,483</u>		<u>188,373</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>1,284,739</u>		<u>1,304,465</u>
Defined benefit pension scheme liability	22		(121,000)		(128,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u>1,163,739</u>		<u>1,176,465</u>
FUNDS OF THE ACADEMY					
Restricted income funds:					
Restricted income funds	17	147,470		158,230	
Restricted fixed asset funds	17	1,097,256		1,116,092	
Restricted income funds excluding pension liability		<u>1,244,726</u>		<u>1,274,322</u>	
Pension reserve		(121,000)		(128,000)	
Total restricted income funds			<u>1,123,726</u>		<u>1,146,322</u>
Unrestricted income funds	17		40,013		30,143
TOTAL FUNDS			<u>1,163,739</u>		<u>1,176,465</u>

The financial statements on pages 27 to 50 were approved by the Trustees, and authorised for issue, on 10 December 2018 and are signed on their behalf, by:


Dr P Tiffen
Chair of Trustees


Mrs K A Jeffrey
Accounting Officer

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	19	<u>(21,726)</u>	<u>29,103</u>
Cash flows from investing activities:			
Purchase of tangible fixed assets		<u>(2,490)</u>	<u>(4,345)</u>
Net cash used in investing activities		<u>(2,490)</u>	<u>(4,345)</u>
Change in cash and cash equivalents in the year		(24,216)	24,758
Cash and cash equivalents brought forward		<u>219,782</u>	<u>195,024</u>
Cash and cash equivalents carried forward	20	<u>195,566</u>	<u>219,782</u>

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

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

New Hall Multi Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

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

We are aware that in future years the Trust is predicting that expenditure will be in excess of income, however the Trust has sufficient reserves to warrant there being no issue with regards to the financial statements being prepared under the going concern basis.

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.3 Income

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

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

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

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

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

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

1.4 Expenditure

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

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

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

All expenditure is inclusive of irrecoverable VAT.

NEW HALL MULTI ACADEMY TRUST
(A company limited by guarantee)

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

1. ACCOUNTING POLICIES (continued)

1.5 Tangible fixed assets and depreciation

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

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

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

Leasehold property	-	2% - 20% straight line basis
Furniture and fixtures	-	20% straight line basis
Computer equipment	-	25% straight line basis

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.

1.6 Liabilities and provisions

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

1.7 Leased Assets

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

1.8 Stocks

Unsold uniforms, catering stocks and heating oil are valued at the lower of cost or net realisable value.

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FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (continued)

1.9 Taxation

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

1.10 Debtors

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

1.11 Cash at Bank and in hand

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.12 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the academy's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

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

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

1.14 Fund accounting

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

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

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

1.15 Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

The 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 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

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2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Donations	1,679	8,819	-	10,498	2,964
Educational trips & visits	1,585	-	-	1,585	9,721
	<u>3,264</u>	<u>8,819</u>	<u>-</u>	<u>12,083</u>	<u>12,685</u>
<i>Total 2017</i>	<u>10,565</u>	<u>2,120</u>	<u>-</u>	<u>12,685</u>	

3. FUNDING FOR THE MULTI ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants			
General Annual Grant (GAG)	409,857	409,857	417,998
Capital Grants	4,889	4,889	1,103
Other DfE/ESFA Grants	49,335	49,335	43,086
	<u>464,081</u>	<u>464,081</u>	<u>462,187</u>
Other government grants			
Local authority Grants	7,272	7,272	28,964
	<u>7,272</u>	<u>7,272</u>	<u>28,964</u>
	<u>471,353</u>	<u>471,353</u>	<u>491,151</u>
<i>Total 2017</i>	<u>491,151</u>	<u>491,151</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
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4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Catering income	9,005	9,005	8,258
Club income	9,594	9,594	4,568
Insurance income	4,703	4,703	-
Uniform income	1,023	1,023	552
	<u>24,325</u>	<u>24,325</u>	<u>13,378</u>
<i>Total 2017</i>	<u>13,378</u>	<u>13,378</u>	

5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	415	415	367
	<u>367</u>	<u>367</u>	
<i>Total 2017</i>	<u>367</u>	<u>367</u>	

6. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on raising voluntary income	-	-	1,817	1,817	11,978
Educational Operations:					
Direct costs	310,346	6,290	30,523	347,159	327,535
Support costs	94,808	27,183	82,935	204,926	221,770
	<u>405,154</u>	<u>33,473</u>	<u>115,275</u>	<u>553,902</u>	<u>561,283</u>
<i>Total 2017</i>	<u>383,004</u>	<u>39,574</u>	<u>138,705</u>	<u>561,283</u>	

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

7. CHARITABLE ACTIVITIES - MULTI ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Total funds 2018 £	<i>Total funds 2017 £</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	252,987	242,446
National insurance	20,709	14,571
Pension cost	33,351	30,599
Depreciation	6,290	8,000
Educational supplies	17,474	15,162
Staff development	3,613	3,563
Educational visits & transport	5,425	9,037
Other direct costs	4,011	3,227
Supply staff costs	3,299	930
	347,159	327,535
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	49,813	45,293
National insurance	1,995	1,166
Pension cost	43,000	48,000
Depreciation	15,036	15,037
Pension finance expense	3,000	4,000
Technology costs	4,194	120
Maintenance of premises & equipment	12,147	16,537
Cleaning	11,630	11,406
Rent & rates	1,800	1,695
Energy costs	5,558	6,268
Insurance	2,207	2,965
Catering	9,626	12,303
Legal & professional fees	28,502	28,209
Other support costs	10,493	21,886
Governance costs	5,925	6,885
	204,926	221,770
	552,085	549,305

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

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	21,326	23,036
Auditors' remuneration - audit	5,000	4,850
Auditors' remuneration - other services	1,875	2,035
Operating lease rentals	1,261	419
	<u> </u>	<u> </u>

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

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018 £	2017 £
Wages and salaries	302,800	287,739
Social security costs	22,704	15,737
Operating costs of defined benefit pension schemes	76,351	78,598
	<u>401,855</u>	<u>382,074</u>
Supply staff costs	3,299	930
	<u>405,154</u>	<u>383,004</u>

b. Staff numbers

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

	2018 No.	2017 No.
Teachers	7	7
Administration & other support	11	12
Management (also teachers)	1	1
	<u>19</u>	<u>20</u>

Average headcount expressed as a full time equivalent:

	2018 No.	2017 No.
Teachers	4	4
Administration & other support	5	6
Management (also teachers)	1	1
	<u>10</u>	<u>11</u>

No employee received remuneration amounting to more than £60,000 in either year.

c. Key management personnel

The key management personnel of the academy trust comprise the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £61,652 (2017: £60,135).

10. CENTRAL SERVICES

No central services were provided by the academy trust to its academies during the year and no central charges arose.

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**NOTES TO THE FINANCIAL STATEMENTS
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11. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration (2017 - £NIL).

During the year, no Trustees received any benefits in kind (2017 - £NIL).

During the year ended 31 August 2018, no Trustees received any reimbursement of expenses (2017 - £NIL).

No staff are trustees of the New Hall Multi Academy Trust.

12. TRUSTEES' AND OFFICERS' INSURANCE

The academy trust has 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 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.

13. TANGIBLE FIXED ASSETS

	Leasehold Land and Buildings £	Furniture and Equipment £	Computer Equipment £	Total £
Cost				
At 1 September 2017	1,154,362	15,050	19,965	1,189,377
Additions	-	-	2,490	2,490
At 31 August 2018	1,154,362	15,050	22,455	1,191,867
Depreciation				
At 1 September 2017	51,832	7,281	14,172	73,285
Charge for the year	15,036	3,010	3,280	21,326
At 31 August 2018	66,868	10,291	17,452	94,611
Net book value				
At 31 August 2018	1,087,494	4,759	5,003	1,097,256
At 31 August 2017	1,102,530	7,769	5,793	1,116,092

Included in land and buildings is leasehold land of £571,000 (2017 - £571,000) which is not depreciated.

14. STOCKS

	2018 £	2017 £
Heating oil and Uniform	1,843	1,790

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

15. DEBTORS

	2018	2017
	£	£
Other debtors	1,311	3,320
Prepayments and accrued income	28,224	17,319
	<u>29,535</u>	<u>20,639</u>

16. CREDITORS: Amounts falling due within one year

	2018	2017
	£	£
Trade creditors	5,644	23,814
Other taxation and social security	5,860	4,703
Other creditors	6,582	5,819
Accruals and deferred income	21,375	19,502
	<u>39,461</u>	<u>53,838</u>

	2018	2017
	£	£
Deferred income		
Deferred income at 1 September	6,373	6,373
Resources deferred during the year	9,587	8,180
Amounts released from previous years	(6,373)	(6,373)
Deferred income at 31 August	<u>9,587</u>	<u>8,180</u>

Deferred income is in respect of free school meals income for 2018/2019 received in advance.

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

17. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds - all funds	30,143	28,004	(18,134)	-	-	40,013
Restricted funds						
General Annual Grant (GAG)	94,238	409,857	(432,174)	2,399	-	74,320
Other DfE/ESFA grants	-	28,545	(18,727)	-	-	9,818
Start Up Grants	60,252	-	-	-	-	60,252
Pupil Premium	3,740	20,790	(21,450)	-	-	3,080
Local authority grants	-	7,272	(7,272)	-	-	-
NHMAT	-	8,819	(8,819)	-	-	-
Pension reserve	(128,000)	-	(26,000)	-	33,000	(121,000)
	30,230	475,283	(514,442)	2,399	33,000	26,470
Restricted fixed asset funds						
Fixed assets transferred on conversion	1,058,480	-	-	-	-	1,058,480
Capital expenditure	57,612	4,889	(21,326)	(2,399)	-	38,776
	1,116,092	4,889	(21,326)	(2,399)	-	1,097,256
Total restricted funds	1,146,322	480,172	(535,768)	-	33,000	1,123,726
Total of funds	1,176,465	508,176	(553,902)	-	33,000	1,163,739

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

General Annual Grant (GAG) grant fund - Funds received from the ESFA under the General Annual Grant arrangements for the recurrent expenditure of the school as defined in the Funding Agreement.

Other DfE/ ESFA grants - Other government grants received for restricted educational purposes not forming part of General Annual Grant.

Start Up Grants - This represents one off funding received from the ESFA to contribute to the cost of setting up the multi academy trust and to support the academy following the transition to academy status.

Pupil Premium - Funds received from the ESFA under the Pupil Premium grant arrangements for the recurrent expenditure of the school as defined in the Funding Agreement.

Local authority grants - Grants received from the local authority received for restricted educational

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

17. STATEMENT OF FUNDS (continued)

purposes.

NHMAT - Donations received from the New Hall School Trust.

Pension reserve - The pension reserve recognises the deficit of the local government pension scheme. The purpose of the Restricted Fixed Asset Fund is to hold the Academy's fixed assets recorded net of depreciation.

Included in the above are transfers between capital expenditure and GAG. These transfers represent the trust using GAG monies for capital items.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	<i>Total 2017 £</i>
Messing Primary School	187,483	<i>188,373</i>
Restricted fixed asset fund	1,097,256	<i>1,116,092</i>
Pension reserve	(121,000)	<i>(128,000)</i>
Total	1,163,739	<i>1,176,465</i>

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depr'n £	Total 2018 £	<i>Total 2017 £</i>
Messing Primary School	401,855	3,299	17,474	108,131	530,759	<i>498,915</i>

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**NOTES TO THE FINANCIAL STATEMENTS
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17. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 September 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2017 £</i>
General Funds - all funds	32,155	24,310	(26,322)	-	-	30,143
Restricted funds						
General Annual Grant (GAG)	75,882	417,998	(396,399)	(3,243)	-	94,238
Other DfE/ESFA grants	-	21,416	(21,416)	-	-	-
Start Up Grants	68,827	-	(8,575)	-	-	60,252
Pupil Premium	3,520	21,670	(21,450)	-	-	3,740
Local authority grants	-	28,964	(28,964)	-	-	-
Donations	-	2,120	(2,120)	-	-	-
Pension reserve	(158,000)	-	(33,000)	-	63,000	(128,000)
	<u>(9,771)</u>	<u>492,168</u>	<u>(511,924)</u>	<u>(3,243)</u>	<u>63,000</u>	<u>30,230</u>
Restricted fixed asset funds						
Fixed assets transferred on conversion	1,069,360	-	(10,880)	-	-	1,058,480
Capital expenditure	65,423	1,103	(12,157)	3,243	-	57,612
Total restricted funds	<u>1,125,012</u>	<u>493,271</u>	<u>(534,961)</u>	<u>-</u>	<u>63,000</u>	<u>1,146,322</u>
Total of funds	<u>1,157,167</u>	<u>517,581</u>	<u>(561,283)</u>	<u>-</u>	<u>63,000</u>	<u>1,176,465</u>

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	1,097,256	1,097,256
Current assets	40,013	186,931	-	226,944
Current liabilities	-	(39,461)	-	(39,461)
Pension scheme liability	-	(121,000)	-	(121,000)
	<u>40,013</u>	<u>26,470</u>	<u>1,097,256</u>	<u>1,163,739</u>

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18. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	<i>Unrestricted funds</i>	<i>Restricted funds</i>	<i>Restricted fixed asset funds</i>	<i>Total funds</i>
	2017	2017	2017	2017
	£	£	£	£
Tangible fixed assets	-	-	1,116,092	1,116,092
Current assets	30,143	212,067	-	242,210
Creditors due within one year	-	(53,837)	-	(53,837)
Provisions for liabilities and charges	-	(128,000)	-	(128,000)
	<u>30,143</u>	<u>30,230</u>	<u>1,116,092</u>	<u>1,176,465</u>

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

	2018 £	2017 £
Net expenditure for the year (as per Statement of Financial Activities)	(45,726)	(43,702)
Adjustment for:		
Depreciation charges	21,326	23,036
Increase in stocks	(53)	(101)
Increase in debtors	(8,896)	(5,545)
Increase/(Decrease) in creditors	(14,377)	22,415
Defined benefit pension scheme cost less contributions payable	23,000	29,000
Defined benefit pension scheme finance cost	3,000	4,000
Net cash (used in)/provided by operating activities	<u>(21,726)</u>	<u>29,103</u>

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	195,566	219,782
Total	<u>195,566</u>	<u>219,782</u>

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21. 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.

22. PENSION COMMITMENTS

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

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

Contributions amounting to £6,582 were payable to the schemes at 31 August 2018 (2017 - 5,819) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

22. PENSION COMMITMENTS (continued)

the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £32,878 (2017 - £30,599).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £26,000 (2017 - £25,000), of which employer's contributions totalled £20,000 (2017 - £19,000) and employees' contributions totalled £6,000 (2017 - £6,000). The agreed contribution rates for future years are 20.6% for employers and 5.5 - 7.5% for employees.

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

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FOR THE YEAR ENDED 31 AUGUST 2018

22. PENSION COMMITMENTS (continued)

Principal actuarial assumptions:

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

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

	2018	2017
Retiring today		
Males	22.3	22.2
Females	24.8	24.7
Retiring in 20 years		
Males	24.5	24.3
Females	27.1	27.0

Sensitivity analysis	At 31 August 2018 £	At 31 August 2017 £
Discount rate +0.1%	235,000	208,000
Discount rate -0.1%	247,000	218,000
Life expectancy - 1 year increase	249,000	220,000
Life expectancy - 1 year decrease	234,000	206,000
Salary increase +0.1%	241,000	213,000
Salary decrease -0.1%	241,000	213,000

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

22. PENSION COMMITMENTS (continued)

The academy's share of the assets in the scheme was:

	Fair value at 31 August 2018 £	<i>Fair value at 31 August 2017 £</i>
Equities	76,000	<i>56,000</i>
Gilts	6,000	<i>5,000</i>
Debt instruments	7,000	<i>3,000</i>
Property	11,000	<i>8,000</i>
Cash and other liquid assets	4,000	<i>3,000</i>
Alternative assets / other managed funds	16,000	<i>10,000</i>
Total market value of assets	120,000	<i>85,000</i>

The actual return on scheme assets was £6,000 (2017 - £8,000).

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

	2018 £	<i>2017 £</i>
Current service cost	(43,000)	<i>(48,000)</i>
Interest income	3,000	<i>1,000</i>
Interest cost	(6,000)	<i>(5,000)</i>
Total	(46,000)	<i>(52,000)</i>
Actual return on scheme assets	6,000	<i>8,000</i>

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

	2018 £	<i>2017 £</i>
Opening defined benefit obligation	213,000	<i>205,000</i>
Current service cost	43,000	<i>48,000</i>
Interest cost	6,000	<i>5,000</i>
Employee contributions	6,000	<i>6,000</i>
Actuarial gains	(30,000)	<i>(51,000)</i>
Benefits paid	3,000	<i>-</i>
Closing defined benefit obligation	241,000	<i>213,000</i>

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

22. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Opening fair value of scheme assets	85,000	47,000
Interest income	3,000	1,000
Actuarial gains	3,000	12,000
Employer contributions	20,000	19,000
Employee contributions	6,000	6,000
Benefits paid	3,000	-
	<u>120,000</u>	<u>85,000</u>
Closing fair value of scheme assets		

23. OPERATING LEASE COMMITMENTS

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

	2018 £	2017 £
Amounts payable:		
Within 1 year	479	279
Between 1 and 5 years	718	-
Total	<u>1,197</u>	<u>279</u>

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

During the year the New Hall School Trust, a member of the Academy, donated £8,819 (2017: £2,120).