

CODSALL MULTI ACADEMY TRUST
TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017


Whittingham Riddell
chartered accountants

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE PERIOD ENDED 31 AUGUST 2017

Members

Mr Matthew Jevons (appointed 26 May 2016)
Mr Kevin McElduff (appointed 26 May 2016)
Mr Christopher Hughes (appointed 26 May 2016)
Church of England Central Education Trust (appointed 26 May 2016)

Trustees

Mr Peter Bowers, CEO / Accounting Officer (appointed 27 May 2016)
Mrs Gillian Gollins (appointed 27 May 2016)¹
Mrs Fay Hayward (appointed 27 May 2016)¹
Mr Matthew Jevons, Member (appointed 27 May 2016)¹
Mr David Johnson (appointed 27 May 2016)²
Mr Kevin McElduff (appointed 27 May 2016)²
Miss Jodie Parker, Staff Trustee (appointed 27 May 2016)
Mr Stephen Phillips (appointed 27 May 2016, resigned 18 October 2017)²

¹ Member of the Finance Committee

² Member of the Audit and Risk Committee

Company registered number

10204653

Company name

Codsall Multi Academy Trust

Principal and registered office

St. Nicholas CE (VC) First School, Codsall, Wolverhampton, WV81AN

Senior management team

Peter Bowers, CEO / Headteacher Codsall Middle School
Miss Jodie Parker, Headteacher St Nicholas First School
Mrs Pam Baker, Head of School / Deputy Headteacher
Mrs Julie Howell, Academy Business Manager (stepped down April 2017)
Mrs Hayley Dunn, Academy Business Manager (appointed September 2017)

Independent auditors

Whittingham Riddell LLP, Belmont House, Shrewsbury Business Park, Shrewsbury, Shropshire, SY2 6LG

Bankers

Lloyds Bank PLC, Queen Street, Wolverhampton, WV1 1DS

Solicitors

Howes Percival LLP, Nene House, 4 Rushmills, Northampton, Northamptonshire, NN4 7YB

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TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2017

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the period 27 May 2016 to 31 August 2017. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Multi Academy Trust operates 1 middle school and 1 first school in Codsall, Staffordshire. Its academies have a combined pupil capacity of 912 and had a roll of 910 in the school census on 5th October 2017.

Structure, governance and management

a. Constitution

The Multi Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Multi Academy Trust. The constituent academies of the Trust are:

- St Nicholas CE First School
- Codsall Middle School

The Trustees of Codsall Multi Academy Trust are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Codsall Multi Academy Trust.

Details of the Trustees who served during the period are included in the Reference and administrative details on page 1.

CMAT Leadership Model

Executive, non-executive member of the board and senior leadership of schools in the Academy work within a leadership framework. This model forms part of performance management of everyone involved in the leadership of the Multi Academy Trust. The requirements are:

- Ethical: we play by the rules, act with integrity and are proud of our actions
- Passionate: we care deeply about what we do and set high expectations
- Accountable: We take ownership of our actions and we do what we say
- Efficient: We value speed, simplicity and value for money
- Transparent: We say what we think and make it okay to disagree
- Learning: we want to learn and share knowledge with each other

CMAT Board Leadership Team

Kevin McElduff BA [Hons] MCIoD IRCA: Chair of the CMAT Board

In over 34 years in the governance of education Kevin has chaired the governing bodies of four schools from early years to the secondary sector. He is the Chief Executive of the TMS Insight Group of companies, a specialist knowledge management and learning solutions provider on a business to business basis. With twenty years business experience he holds an honours degree from the University of Sheffield, is a member of the Chartered Institute of Directors and is a member of the International Register of Certified Auditors.

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Matt Jevons FCCA: Deputy Chair of the CMAT Board

Matt joined the school governing body in 2013 as a foundation governor and shortly after was elected as chair of the governing body. He is an associate director with a local firm of accountants, responsible for the corporate finance service and is a member of the Mergers and Acquisitions Experts Group for an international network of audit firms. Matt has served as a Trustee on a number of local charity boards including periods as chair of Trustees.

Peter Bowers: CMAT Chief Executive

Peter has 30 years' experience of working in different educational settings, including 4 schools and a Local Authority. He has successfully undertaken a myriad of Middle and Senior Leadership roles and is currently Headteacher of Codsall Middle School and CEO of CMAT. Peter has a Master's degree in Education and has recently completed his training as a Registered Ofsted Inspector.

Jodie Parker: CMAT Deputy Chief Executive

Jodie has 17 years' experience of working in a range of educational settings, within the UK as well as internationally. She has carried out a range of roles and responsibilities within schools, including Assistant Head Teacher and SENCo. Jodie has established and maintained hubs of excellence for Writing within clusters of schools and developed a self-improving school system approach to improve Teaching and Learning in Maths and English. Previously Head Teacher of an Outstanding small school recognised by OFSTED for their excellence in Maths, she is now Head Teacher in the 2-form entry first school where improvements have been demonstrated in a number of key areas also.

b. Members' liability

Codsall Multi Academy Trust has four members and 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

Within Codsall Multi Academy Trust's insurance policy there is a provision for 'Governor Trustee and management liability' and the limit of indemnity is £5,000,000.

d. Method of recruitment and appointment or election of Trustees

Our approach to the recruitment and appointment of Trustees is based on a number of key inputs: guidance from the National Collage for Teaching and Leadership, the UK Corporate Governance Code and the CMAT Memorandum and Articles of Association.

The CMAT Memorandum and Articles of Association set out the framework for the management of the Trust. There are twelve directors appointed by the Members two of which are nominated by the Church of England Central Education Trust. The CMAT Chief Executive is an ex-officio director of the board. The remaining directors are appointed based on their skills, knowledge and experience to ensure that the CMAT board is balanced and capable of fulfilling its responsibilities. The Members, where practical and possible, recognise the need to ensure that the Board reflects the diversity of our community.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2017

Each Local Governing Body has its own Instrument of Government setting out its operating framework and the membership of each board. In CMAT Local Governing Body members include

- Parent Governors
- Staff Governors
- Headteachers
- Community Governors
- Foundation Governors
- Associate Governors

Trustees are recruited by invitation from the Chair of the Board of Trustees after consultation with the Chief Executive Officer of persons known to the Multi Academy Trust who are able to benefit the Trust by their knowledge, experience and expertise. Recommendations are made to the Members who make the decision to appoint Trustees.

The principles of our appointment process are based on the UK Corporate Governance Code. The CMAT board must have the appropriate balance of skills and knowledge to enable them to discharge their respective duties and responsibilities effectively. The search for board candidates is conducted, and appointments are made, on merit, against objective criteria with due regard for the benefits of diversity on the board, including its gender balance.

The key steps in the appointment process include:

- Invitations to Trustees and local Governing Bodies to nominate prospective directors
- Informal discussions between the Chair of the Board and Chief Executive with prospective Trustees
- Review of curriculum vitae to establish skills, knowledge and experience
- Background checks to ensure safeguarding and due diligence
- Further interviews with the Board
- Recommendations on appointments to the Members

e. Policies and procedures adopted for the induction and training of Trustees

The induction and training of Trustees is critical in ensuring strong governance of Trust. The development of Trustees is therefore as important as the development of employees. Trustees who do not understand the strategy of the Multi Academy Trust can lead to a lack of co-ordination resulting in poor performance from Trustees which is as great a risk to the Multi Academy Trust. All Trustees undertake development training and the CMAT governance policy requires three meetings to take place each year focused exclusively on continuous professional development.

Our induction and training process for new Trustees includes:

- Meetings with the board of Trustees and the senior leadership team of the Multi Academy Trust;
- Visits to our schools and meeting with Headteachers and Senior Leadership Teams;
- Ongoing training in legislation and responsibilities;
- An induction pack which includes details of governance policy, Trust strategy and development planning, financial management standards and responsibilities and the Trust Annual Report and accounts.
- A six-month review with the Chair of the Board and Chief Executive

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f. Organisational structure

The Board of Trustees are responsible for the overall strategic direction of the Multi Academy Trust. The Trustees have a duty to act in the fulfilment of the Multi Academy Trust objects. They set the strategic direction, and determine the policies and procedures of the Multi Academy Trust whilst holding each Academy within the Multi Academy Trust to account. The Trustees will meet at least three times a year and local governing body committees will report to meetings of the board of Trustees throughout the year.

Each Academy within the Multi Academy Trust is governed by an Academy committee which is appointed by the board of Trustees and elected by staff and parents in a manner similar to the board of Trustees. The Academy committee is responsible for determining the strategic direction of the Academy in accordance with the overall strategic direction of the Multi Academy Trust. The Academy committee should engage with the local community, constructively challenge the leadership team of the Academy and provide evaluative feedback and supporting evidence to the board of Trustees on the impact and effectiveness of the collective and individuals aims, objectives, policies, targets and future plans.

The board of Trustees and each Academy committee do not exercise a managerial role. The leadership and management across the Multi Academy Trust is delegated by the board of Trustees to the Senior Executive Team (SET). The SET is responsible for the delivery of the aims and objectives of CMAT as follows:

Peter Bowers – CEO/Headteacher Codsall Middle School

Overarching responsibility for the performance of CMAT including the staff within it. Strategic role in delivering the CMAT vision and management of the SET

Jodie Parker – Deputy CEO/Headteacher St Nicholas CE First School

Line manages the leaders of each "Education Strategy Group" (ESG)
Pupil Achievement, Teaching and Learning (T&L) and Pupil Engagement

Pam Baker – Head of School Codsall Middle School

Day to day running of CMS
(The Academy Business Manager contributes to the SET as appropriate)

Educational Strategy Groups

- Pupil Achievement (Suzanne Robb - Assistant Headteacher St Nicholas First School)
- Pupil Engagement (Michelle Davison – Senior Teacher Codsall Middle School)
- Teaching and Learning (Sarab Thompson – Senior Teacher Codsall Middle)

The SET is responsible at an executive level for implementing the policies laid down by board of Trustees and reporting back to them through various committees. This includes actions concerning the budget, staffing, and school improvement.

Finance, Audit and Risk

These committees are responsible for ensuring the sound financial planning, management and control of our resources with the regulatory funding framework. The Chief Executive as Accounting Officer and the Director of Finance advise board members and assist them in fulfilling their responsibilities.

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TRUSTEES' REPORT (continued)
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Sites, Building and Facilities

Two members of the Board have been designated as leaders of this area of work. The objective relates to the management of our facilities to create the conditions for learning and development and to safeguard our students. The Chief Executive and the Director of Finance advise board members and assist them in fulfilling their responsibilities

Stakeholder Engagement

Two members of the Board have been designated as leaders of this area of work. The objective relates to the relationship management of all groups who have a legitimate and value adding relationship with the Trust and our schools. The Chief Executive advises board members and assist them in fulfilling their responsibilities

Each individual Academy has a senior Leadership team which is directly responsible for the strategic leadership and day to day management of the Academy in accordance with CMAT aims and objectives. Each Academy operates under the auspice of "earned autonomy".

The CEO is the Accounting Officer and is responsible for the authorisation of spending within agreed budgets. Some spending control is devolved to designated budget holders within the hierarchy of limits and in accordance with the approved Financial Regulations and Financial Scheme of Delegation.

g. Pay policy for key management personnel

The arrangements for setting the pay and remuneration of the key management personnel of the Multi Academy Trust are subject to the 'school teachers pay and conditions document and guidance on school teachers pay and conditions' and CMAT policies. The determination of leadership pay is in line with the school group size and relevant scale points attributed to the group pay range.

Incremental rises are dependent upon the successful completion of the previous years' performance management cycle and quality assured by the Senior Leadership Team within each school. Senior leader performance appraisal within schools is undertaken by Local Governing Bodies with external advice in accordance with statutory guidance. Performance management of senior CMAT leaders is undertaken by a Remuneration Committee appointed by the Board to undertake the task with the assistance of external advisors.

h. Connected organisations, including related party relationships

Related party transactions:

The members, board of Trustees, Academy committee members and the accounting officer all complete a pecuniary interest declaration on an annual basis. This declaration sets out any relationship with the Multi Academy Trust that is not directly related to their duties within these roles. Each individual is also required to declare a potential 'conflict of interest' if it arises between such declarations. Once a declaration has been made, the individual concerned takes no further part in any decision relating to the matter declared.

In respect of the current year, the Multi Academy Trust has the following relationships:

- Has made payments to Brewood Landscapes, a business in which one of the Academy school business managers husband does consultancy work for through his company Pro-lands Services Limited

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Objectives and Activities

a. Objects and aims

The Trust Board has adopted a Balanced Scorecard approach to set out its mission, vision and to develop the objectives to deliver sustained success.

We are clear that CMAT exists "to work together, based on sound finance, to ensure every pupil in our care achieves their full potential: academically and personally.

To achieve this mission we have five key statements that set out our vision for the future

- Resources: to make our money work for the young people we serve
- Facilities management: to develop and maintain our sites and buildings to promote learning and safeguard our pupils
- Stakeholders: to add value with all those that have an interest in our success
- Teaching and learning: to deliver high quality, innovative and leading edge practice in every lesson
- Pupil engagement: to ensure that every pupil engages with and invests in their own learning and development
- Pupil achievement: to ensure that every pupil achieves their full potential

Each Trustee: executive and non-executive, is linked to one of the vision themes and is responsible for working with CMAT and school based staff to develop the objectives that will deliver our vision and mission. The CMAT Board receives regular reports on actions, progress and makes decisions to drive continuous improvement across the organisation.

b. Objectives, strategies and activities

The strategic goals of the Multi Academy Trust are:

To provide high quality education provision for all academies within the Multi Academy Trust that improve the outcomes of all of our pupils. This will be achieved by providing appropriate and proportionate support and challenge each Academy within the Multi Academy Trust. There will be a focus on:

- a. Pupil Achievement
Pupils in both Academies achieve extremely highly. Our focus will be on agreeing a standardised method of Assessing, Recording and Reporting across CMAT. We will agree changes to our assessment practices which we hope will enable us to more accurately target areas for improvement. Whilst the requirement for a co-ordinated approach to data presentation is important, the key issue is to use the data effectively to accurately identify strengths and areas of underperformance.
- b. Pupil Engagement
Codsall Middle Pupils are now undertaking leadership activities in St Nicholas school. This provision will be further augmented as the year progresses. Work will now be undertaken across the schools to research and identify levels of pupil engagement in their lessons. This data will be used to impact on practices to improve. Much of the evidence will be derived from the PASS survey, (an attitudinal survey used nationally) as well as other pupil voice opportunities.

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c. Teaching and Learning

Effective strategies are being implemented to share Teaching and Learning practice across the two schools. All colleagues have been allocated to "Teaching Triads". This will enable us to address CMAT Teaching and Learning issues at classroom level and more effectively utilise the expertise of our teachers to develop their own and others' practice.

To enable us to have the desired positive impact on pupils' achievement, the Directors understand the need to focus on:

Establishing and monitoring a system of governance through effective Academy committees.

- Providing intervention to support school improvement.
- Developing collaborative curriculum activities to support key skill development, increasing independence and vocational/work-related learning.
- Developing monitoring and evaluating strategies and procedures that will drive school improvement.
- Supporting the procurement of best value central services.
- Collaboratively sharing and supporting best practice in Teaching and Learning
- Developing a systematic marketing strategy and work with local stakeholders, Headteacher forums and the DfE to identify potential schools and academies that wish to join the Multi Academy Trust.
- Build capacity by creating a robust management structure which involves building a central team to support the board of Trustees.
- Develop training based on the expertise within the Multi Academy Trust that can be delivered to other education providers.
- Develop more effective means on collaboration with other education providers to share best practice and encourage greater innovation within the education sector.

The above example sets out the objectives of the Multi Academy Trust only. It may also be beneficial to detail the objectives, strategies and activities of each of the individual academies within the Multi Academy Trust using the same framework. If these are detailed, then there should be a clear correlation with how those of the individual academies link with those of the Multi Academy Trust.

c. Public benefit

The Trustees confirm that they have referred to the guidance contained in the Charity Commissioner's general guidance on public benefit when reviewing the Multi Academy Trust objective and aims and in planning future activities for the period. The Trustees consider that the Multi Academy Trust can clearly demonstrate that its aims are to advance education for public benefit.

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TRUSTEES' REPORT (continued)
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Strategic report

Achievements and performance

a. Key performance indicators

Both schools have a current OFSTED Good rating

Both schools continued to perform extremely highly in academic year 2016 – 2017

At St Nicholas CE First School:

Attainment at EYFS

Good Level of Development	Local Authority	National	St Nicholas
	75%	71%	75%

Attainment at KS1

Year 1 Phonics Screen	Local Authority	National	St Nicholas
	83%	81%	90%

KS1 SATS 2017	Expected Standard			Greater Depth Standard		
	Local Authority	National	St Nicholas	Local Authority	National	St Nicholas
Reading	79%	76%	90%	28%	25%	49%
Writing	72%	68%	75%	17%	16%	20%
Maths	78%	75%	87%	22%	21%	39%

Year 4 Exit Data

2017	Working at Expected Level (4 Secure or better)	Working above the Expected Level 4 Mastering)
Reading	74%	31%
Writing	71%	20%
Maths	71%	20%

At Codsall Middle School:

From entry to exit (Year 5 to 8)

- Pupils make better than expected progress and the trend is improving
- Pupils attainment is higher than pupils nationally and the trend is improving
- Pupils over-achieve compared to predictions in the CATs assessments

Attainment on entry in Y5 2016- 2017 (GL Assessments)	Average or above	Above Average
English	84% (NAv 77%)	23% (NAv 23%)
Maths	70% (NAv 77%)	23% (NAv 23%)
KS2 SATs 2016 - 2017	Expected Attainment	Achieving Higher Standard
Reading	72% (NAv 71%)	19% (NAv 25%)

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GPVS	78% (NAv 77%)	30% (NAv 31%)
Writing	76% (NAv 76%)	27% (NAv 18%)
Maths	70% (NAv 75%)	20% (NAv 23%)
% Expected attainment or above in Reading, Maths and Writing TA	58% (NAv 61%)	12%(NAv 9%)
English	90% (NAv 77%)	33% (NAv 23%)
Maths	92% (NAv 77%)	35% (NAv 23%)

b. Going concern

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

Financial review

Income for the period was £8,381,431 of which £3,129,961 was provided by the Department of Education (DfE) via the Education Funding Agency (EFA) by means of standard grants to cover operational and capital costs. This was supplemented by donations and Capital Grants and other trading activities including third party lettings and funds generated by extended school activities which totalled the remaining £862,342.

All expenditure supports the Multi Academy Trust key objectives to deliver quality education to our pupils and community. Expenditure for the period was £3,579,413 with the largest element of this expenditure being attributed to staff costs totalling £2,786,299 for the period. The depreciation charge on assets of £46,241 has been included. Net Income for the period was £4,802,018.

The Multi Academy Trust element of the Staffordshire Pension fund that forms part of the Local Government Pension Scheme was valued at 31 August 2017, showing a net deficit of £1,487,000.

As at 31 August 2017, the net book value of fixed assets was £6,038,782 and the movement in tangible fixed assets are shown in the notes of the financial statements. The assets were used exclusively in providing education and the associated support services to the pupils across the Multi Academy Trust.

The Multi Academy Trust complies with the principles of financial control as outlined in the Academies Financial Handbook and the Accounts Direction. The financial procedures, Scheme of Delegation and Value for Money statement together with systems of financial control ensure that the Multi Academy Trust conforms to the requirements of propriety, regularity and sound financial management.

We are fully aware and committed to improving the areas for improvement identified from the statutory audit and feel confident that as we have appointed to the Finance Director post from 1 September 2017 that we have a leadership structure in place to ensure that this happens.

The board of Trustees are accountable for the allocation of resources to meet the objectives set out in the School Development Plan. The Accounting Officer together with the Finance Committee is responsible for reviewing the Financial Procedures on an annual basis and recommending approval to the main board of Trustees. The intention is for individual Academy budgets to be monitored on a monthly basis with reports and commentary on income and expenditure against budget provided to the Finance Committee on a twice termly basis and to the board of Trustees on a termly basis.

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TRUSTEES' REPORT (continued)
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a. Reserves policy

Any reserves held are in accordance with the requirements laid down in the Master Funding Agreement and by the Education & Skills Funding Agency. The level of reserves held takes into account the nature of income and expenditure streams, the need to match them to commitments, including future capital projects, and the need to maintain sufficient reserves to cover any unexpected urgent expenditure requirements, especially to buildings repair not covered by insurance. The board of Trustees identify capital projects on an annual basis and reserves are reviewed alongside this exercise. The board of Trustees will review the level of reserves and reserves policy annually.

As at 31 August 2017 the Multi Academy Trust has reserves of £4,915,018.

b. Material investments policy

The investment policy supports the reserves policy. The Multi Academy Trust seeks to adopt a cautious, prudent and well-diversified investment stance taking into account future cash flow projections to balance potential returns with appropriate levels of risk whilst attracting as high an interest returns as possible.

c. Principal risks and uncertainties

The Audit and Risk Committee have approved a risk management framework based on the international standard ISO 31000:2009. The starting point is the development of a statement of context to understand the external and internal position of the Trust and conditions and framework within which risk is identified, assessed and managed. Our principle risks relate to our ability to achieve our strategic and operational objectives. Our risk mitigation and management framework is based on:

- Avoiding the risk by deciding not to start or continue with the activity that gives rise to the risk
- Accepting or increasing the risk in order to pursue an opportunity
- Removing the risk source
- Changing the likelihood
- Changing the consequences
- Sharing the risk with another party or parties (including contracts and risk financing)
- Retaining the risk by informed decision

Risk registers are being developed for approval by the Board and to provide a framework for the monitoring, measuring, analysis and evaluation of risk in a dynamic framework.

Plans for future periods

a. Future developments

- To support Birches First School in their desire to convert to Academy status as part of CMAT
- To ensure individual academies in the Trust build upon their own identities against a background of shared understanding of how strong performance can be achieved.
- CMAT will exploit opportunities for collaborative working, recruitment and procurement so that individual academies and the Trust itself continue to provide high quality education

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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.

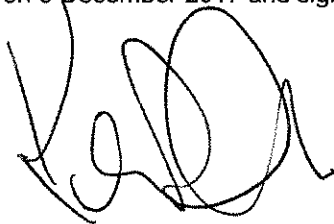
A resolution proposing that Whittingham Riddell LLP be reappointed as auditor of the charitable company will be put to the members.

Auditors

The auditors, Whittingham Riddell LLP, have indicated their willingness to continue in office. A resolution proposing that Whittingham Riddell LLP be reappointed as auditor of the charitable company will be put to the members.

The Trustees' report, incorporating a strategic report, was approved by order of the board of trustees, as the company directors, on 6 December 2017 and signed on its behalf by:

Mr Kevin McElduff
Chair of Trustees



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GOVERNANCE STATEMENT

Scope of Responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Codsall 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 CEO, 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 Codsall 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 5 times during the period. Attendance during the period at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Peter Bowers, CEO / Accounting Officer	5	5
Mrs Gillian Gollins	5	5
Mrs Fay Hayward	5	5
Mr Matthew Jevons, Member	5	5
Mr David Johnson	5	5
Mr Kevin McElduff	5	5
Miss Jodie Parker, Staff Trustee	5	5
Mr Stephen Phillips	2	5

The CMAT Board has effectively bonded as a team in its first year of work. Relationships have been established and work programmes are being developed with the Chief Executive Officer. The resignation of Mr Stephen Phillips was accepted in October 2017 and after an extensive recruitment process Mr Stephen Skinner was appointed to the Board in November 2017. The performance of the Board will be reviewed with the assistance of an external advisor in October 2018.

The Finance Committee is a sub-committee of the main board of trustees. Its main purpose is to lead the development of strategic plans and provide leadership on financial issues. In addition, the sub-committee will consider the Academies' annual indicative funding and assess the implications for CMAT; to agree and make recommendations to the Board on the broad budget headings and areas of expenditure; and to review the financial procedures policy.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
Mrs Gillian Gollins	1	1
Mr Matthew Jevons, Member	1	1
Mrs Fay Hayward	1	1

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GOVERNANCE STATEMENT (continued)

The Audit and Risk Committee has not functioned effectively in this reporting period. Following the resignation of Mr Phillips, Kevin McElduff Chair of the Board has taken over responsibility for its functions and its first meeting took place in October 2017. A risk management framework has been adopted and risk management planning is taking place.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
Mr Stephen Phillips	0	0
Mr Kevin McElduff	0	0
Mr David Johnson	0	0

Review of Value for Money

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

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

- Sharing staff resources at middle leader and subject teacher level
- Sharing ICT software costs and technician provision
- Joint procurement of insurances
- Sharing teacher training provision across schools.

These measures have significantly reduced cost as well as impacting positively on the quality of provision across the MAT.

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 Multi Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Codsall Multi Academy Trust for the period 27 May 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

During the year the Board of Trustees did not appoint a specific internal audit function. There therefore have not been regular checks and testing of controls completed during the year. The Board of Trustees have acknowledged that this needs to be addressed and as such have decided to appoint Whittingham Riddell LLP to carry out extended external audit checks going forward.

Capacity to Handle Risk

The board of trustees has reviewed the key risks to which the Multi Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Multi Academy Trust's significant risks, that has been in place for the period 27 May 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

The Risk and Control Framework

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Audit and risk 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.

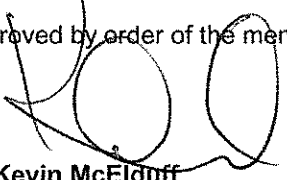
Review of Effectiveness

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

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

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

Approved by order of the members of the board of trustees on 6 December 2017 and signed on their behalf, by:



Mr Kevin McElduff
Chair of Trustees



Mr Peter Bowers
Accounting Officer

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

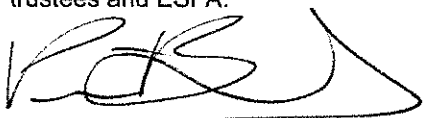
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Codsall Multi Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, 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 2016.

During the period under review, no formal internal control checks were performed and there was no appropriate collation or reporting of financial information. It has been agreed going forward that Whittingham Riddell LLP, the external auditors, will complete extended external audit procedures on a termly basis reporting their findings to the Board of Directors.

Notwithstanding the lack of formal checks performed during the year as noted above, 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 2016.

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



Mr Peter Bowers
Accounting Officer

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE PERIOD ENDED 31 AUGUST 2017

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of 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:

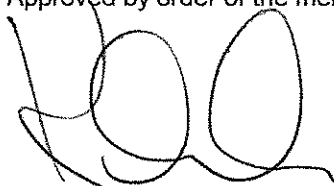
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the 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 6 December 2017 and signed on its behalf by:



Mr Kevin McElduff
Chair of Trustees

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

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

We have audited the financial statements of Codsall Multi Academy Trust for the period ended 31 August 2017 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2016 to 2017 issued by the Education Funding Agency.

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an 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 charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

Respective responsibilities of Trustees and auditors

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

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

Scope of the audit of the financial statements

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

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education Funding Agency.

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

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

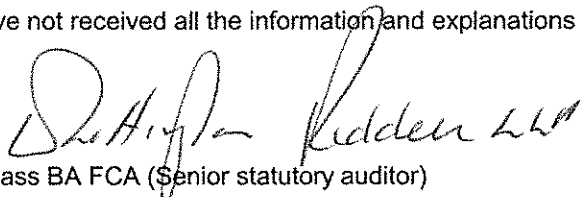
Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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



Andrew Malpass BA FCA (Senior statutory auditor)

for and on behalf of

Whittingham Riddell LLP

Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

14 December 2017

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

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

In accordance with the terms of our engagement letter dated September 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Codsall Multi Academy Trust during the period 27 May 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Codsall Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Codsall Multi Academy Trust's funding agreement with the Secretary of State for Education dated 29 September 2016, and the Academies Financial Handbook extant from 1 September 2016, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2016 to 2017. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the period 27 May 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

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

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

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

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

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

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

Conclusion

With the exception of the matters relating to the lack of formal internal control checks being performed and the lack of collation and reporting of financial information during the period as referred to in the Accounting Officer's Statement on regularity, propriety and compliance, in the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period to 31 August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Whittingham Riddell LLP

Chartered Accountants
Statutory Auditors

Belmont House
Shrewsbury Business Park
Shrewsbury
Shropshire
SY2 6LG

Date:

14 December 2017

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE PERIOD ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
INCOME FROM:					
Donations & capital grants:					
Balances transferred on conversion	3	334,128	(1,449,000)	5,838,129	4,723,257
Donations and capital grants	3	58,800	(244)	156,189	214,745
Charitable activities	4	163,135	3,224,283	-	3,387,418
Other trading activities	5	54,749	1,030	-	55,779
Investments	6	232	-	-	232
TOTAL INCOME		611,044	1,776,069	5,994,318	8,381,431
EXPENDITURE ON:					
Charitable activities		266,335	3,266,278	46,800	3,579,413
TOTAL EXPENDITURE	7	266,335	3,266,278	46,800	3,579,413
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS		344,709	(1,490,209)	5,947,518	4,802,018
Transfers between Funds	19	-	(91,264)	91,264	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		344,709	(1,581,473)	6,038,782	4,802,018
Actuarial gains on defined benefit pension schemes	23	-	113,000	-	113,000
NET MOVEMENT IN FUNDS		344,709	(1,468,473)	6,038,782	4,915,018
RECONCILIATION OF FUNDS:					
Total funds brought forward		-	-	-	-
TOTAL FUNDS CARRIED FORWARD		344,709	(1,468,473)	6,038,782	4,915,018

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

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 10204653

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £
FIXED ASSETS			
Intangible assets	15		3,166
Tangible assets	16		6,035,616
			<u>6,038,782</u>
CURRENT ASSETS			
Debtors	17	255,523	
Cash at bank and in hand		523,245	
		<u>778,768</u>	
CREDITORS: amounts falling due within one year	18	<u>(415,532)</u>	
NET CURRENT ASSETS			<u>363,236</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>6,402,018</u>
Defined benefit pension scheme liability	23		<u>(1,487,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>4,915,018</u></u>
FUNDS OF THE ACADEMY			
Restricted income funds:			
Restricted income funds	19	18,527	
Restricted fixed asset funds	19	6,038,782	
		<u>6,057,309</u>	
Restricted income funds excluding pension liability		6,057,309	
Pension reserve		<u>(1,487,000)</u>	
Total restricted income funds			4,570,309
Unrestricted income funds	19		344,709
TOTAL FUNDS			<u><u>4,915,018</u></u>

The financial statements on pages 22 to 44 were approved by the Trustees, and authorised for issue, on 6 December 2017 and are signed on their behalf, by:


Mr Kevin McElduff
Chair of Trustees

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 AUGUST 2017

	Note	2017 £
Cash flows from operating activities		
Net cash provided by operating activities	21	769,828
Cash flows from investing activities:		
Dividends, interest and rents from investments		310
Purchase of intangible fixed assets		(3,166)
Purchase of tangible fixed assets		(243,727)
Net cash used in investing activities		(246,583)
Change in cash and cash equivalents in the period		523,245
Cash and cash equivalents brought forward		-
Cash and cash equivalents carried forward	22	523,245

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

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017

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

Codsall 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 Multi Academy Trust to continue as a going concern. The Trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.3 Income

All income is recognised once the Multi Academy Trust 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 incorporating income and expenditure account 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 incorporating income and expenditure account 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.

Sponsorship income provided to the Multi Academy Trust which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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

All expenditure is inclusive of irrecoverable VAT.

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.5 Intangible fixed assets and amortisation

Intangible assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

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

Computer Software	-	5 years
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1.6 Tangible fixed assets and depreciation

All assets costing more than £500 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 incorporating income and expenditure account 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 incorporating income and expenditure account. 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:

Long-term leasehold property	-	125 years
Building improvements	-	50 years
Fixtures and fittings	-	5 years
Computer equipment	-	3 years

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

Upon conversion to academy status the Trust entered into a long term lease agreement with the Local Authority to occupy the school site over 125 years at nil rental charge.

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.7 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.

1.8 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.

1.9 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 Multi Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. 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.

1.10 Financial instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 17. Prepayments are not financial instruments. Amounts due to the Multi Academy Trust'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 18. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the Multi Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.11 Taxation

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

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.12 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 Multi Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

The LGPS is a funded scheme and the assets are held separately from those of the academy trust in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit credit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each Balance sheet date. The amounts charged to 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.

1.13 Conversion to an academy trust

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

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

Further details of the transaction are set out in note 2.

CODSALL MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017

1. ACCOUNTING POLICIES (continued)

1.14 Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Department for Education 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 and include grants from the Department for Education.

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:

Assumptions used in pensions valuation

The Multi Academy Trust 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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Land and Buildings introduced on conversion

These are valued by reference to the ESFA valuation report. In the absence of this valuation for the period ended 31 August 2017, the values introduced have been determined by reference to the net book value the assets were held by the Local Authority.

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2. CONVERSION TO AN ACADEMY TRUST

On 1 September 2016 Codsall Middle School and St Nicholas First School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Codsall Multi Academy Trust from Staffordshire Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of financial activities incorporating income and expenditure account as Donations - transfer from local authority on conversion

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Freehold/leasehold land and buildings	-	-	5,838,129	5,838,129
Budget surplus/(deficit) on LA funds	334,128	-	-	334,128
LGPS pension surplus/(deficit)	-	(1,449,000)	-	(1,449,000)
Net assets/(liabilities)	<u>334,128</u>	<u>(1,449,000)</u>	<u>5,838,129</u>	<u>4,723,257</u>

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
School fund surplus received on conversion	55,515	-	-	55,515
LA surplus / deficit received on conversion	278,613	-	-	278,613
Pension liability received on conversion	-	(1,449,000)	-	(1,449,000)
Land and buildings received on conversion	-	-	5,838,129	5,838,129
	<u>334,128</u>	<u>(1,449,000)</u>	<u>5,838,129</u>	<u>4,723,257</u>
Donations	58,800	(244)	22,500	81,056
	<u>392,928</u>	<u>(1,449,244)</u>	<u>5,994,318</u>	<u>4,938,002</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017**

4. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
DfE/ESFA grants			
General Annual Grant (GAG)	-	2,736,311	2,736,311
Other DfE / ESFA Grants	-	249,660	249,660
Start Up Grants	-	50,000	50,000
	<u>-</u>	<u>3,035,971</u>	<u>3,035,971</u>
Other government grants			
Local Authority Grants	-	93,990	93,990
	<u>-</u>	<u>93,990</u>	<u>93,990</u>
Other funding			
Extended School	68,048	-	68,048
Educational Visits	-	93,925	93,925
Other Income	538	397	935
School Meal Income	94,549	-	94,549
	<u>163,135</u>	<u>94,322</u>	<u>257,457</u>
	<u><u>163,135</u></u>	<u><u>3,224,283</u></u>	<u><u>3,387,418</u></u>

5. TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Charity trading income			
Non Educational Trips Income	41,982	-	41,982
Lettings Income	6,805	-	6,805
General Sales	2,727	-	2,727
Sale of Learning Materials	2,787	-	2,787
Sale of Uniforms	448	-	448
Hire of Musical Instruments	-	1,030	1,030
	<u>54,749</u>	<u>1,030</u>	<u>55,779</u>
Total	<u><u>54,749</u></u>	<u><u>1,030</u></u>	<u><u>55,779</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017**

6. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £
Investment income	232	-	232

7. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £
Educational Activities:				
Direct costs	2,537,718	-	303,608	2,841,326
Support costs	248,581	149,600	339,906	738,087
	<u>2,786,299</u>	<u>149,600</u>	<u>643,514</u>	<u>3,579,413</u>

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £
Educational Activities	2,841,326	738,087	3,579,413

Analysis of direct costs

	Educational Activities £	Total 2017 £
Pension income	31,000	31,000
Educational supplies and services	225,758	225,758
Staff development	10,925	10,925
Security and transport	5,374	5,374
Catering	30,551	30,551
Wages and salaries	1,818,789	1,818,789
National insurance	169,478	169,478
Pension cost	549,451	549,451
	<u>2,841,326</u>	<u>2,841,326</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (continued)

Analysis of support costs

	Educational Activities £	Total 2017 £
Staff costs	248,581	248,581
Depreciation	46,241	46,241
Telephone, printing and postage	20,376	20,376
Educational supplies and services	1,241	1,241
Examination fees	1,563	1,563
Staff development	2,548	2,548
Educational consultancy	36,940	36,940
Professional services	32,089	32,089
Technology costs	51,890	51,890
Maintenance of premises and equipment	34,784	34,784
Energy costs	44,768	44,768
Rent and rates	17,569	17,569
Insurance	45,774	45,774
Security and transport	2,718	2,718
Catering	10,922	10,922
Other support costs	38,222	38,222
Cleaning	28,583	28,583
Governance	46,420	46,420
Non educational trips	22,676	22,676
Licenses and subscriptions	3,623	3,623
Amortisation	559	559
	<u>738,087</u>	<u>738,087</u>

9. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £
Depreciation of tangible fixed assets:	
- owned by the charity	46,241
Amortisation of intangible fixed assets	559
Auditors' remuneration - audit	11,150
Auditors' remuneration - other services	1,350
Operating lease rentals	9,139
	<u> </u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017

10. STAFF COSTS

Staff costs were as follows:

	2017 £
Wages and salaries	2,085,072
Social security costs	187,250
Operating costs of defined benefit pension schemes	477,611
	<hr/>
	2,749,933
Supply teacher costs	36,366
	<hr/>
	2,786,299

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

	2017 No.
Teachers	58
Administration and Support	82
Management	6
	<hr/>
	146

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2017 No.
In the band £60,001 - £70,000	2
In the band £80,001 - £90,000	1

The key management personnel of the Multi Academy Trust as highlighted on page 1 received total employee benefits (including employer pension contributions) of £250,501.

11. CENTRAL SERVICES

No central services were provided by the Multi Academy Trust to its academies during the period and no central charges arose.

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the period ended 31 August 2017 was £18,370.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017**

13. TRUSTEES' REMUNERATION AND EXPENSES

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows:

		2017 £
Mr Peter Bowers, CEO / Accounting Officer	Remuneration	90,000-95,000
	Pension contributions paid	10,000-15,000
Miss Jodie Parker, Staff Trustee	Remuneration	60,000-65,000
	Pension contributions paid	5,000-10,000

During the period ended 31 August 2017, no Trustees received any reimbursement of expenses.

14. OTHER FINANCE INCOME

	2017 £
Interest on pension scheme liabilities	(31,000)

15. INTANGIBLE FIXED ASSETS

	Computer Software £
Cost	
Additions	3,725
At 31 August 2017	3,725
Amortisation	
Charge for the period	559
At 31 August 2017	559
Carrying amount	
At 31 August 2017	3,166

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017**

16. TANGIBLE FIXED ASSETS

	Long-term leasehold property £	Buildings Improvements £	Furniture & Equipment £	Computer Equipment £	Total £
Cost					
Additions	5,838,129	134,446	46,921	62,361	6,081,857
At 31 August 2017	5,838,129	134,446	46,921	62,361	6,081,857
Depreciation					
Charge for the period	42,813	-	2,659	769	46,241
At 31 August 2017	42,813	-	2,659	769	46,241
Net book value					
At 31 August 2017	5,795,316	134,446	44,262	61,592	6,035,616

17. DEBTORS

	2017 £
Trade debtors	4,187
Prepayments and accrued income	116,340
Tax recoverable	134,996
	<u>255,523</u>

18. CREDITORS: Amounts falling due within one year

	2017 £
Trade creditors	262,768
Other taxation and social security	43,332
Other creditors	3,399
Accruals and deferred income	106,033
	<u>415,532</u>
	£
Deferred income	
Resources deferred during the year	<u>63,931</u>

At the balance sheet date the Multi Academy Trust was holding funds received in advance for AEN Funding and Universal Infant Free Schools Meals for the Autumn term 2017.

CODSALL MULTI ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017**

19. STATEMENT OF FUNDS

	Balance at 27 May 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General Funds	-	611,044	(266,335)	-	-	344,709
Restricted funds						
Restricted Funds	-	3,225,069	(3,115,278)	(91,264)	-	18,527
Pension reserve	-	(1,449,000)	(151,000)	-	113,000	(1,487,000)
	-	1,776,069	(3,266,278)	(91,264)	113,000	(1,468,473)
Restricted fixed asset funds						
Restricted Fixed Asset Funds	-	5,994,318	(46,800)	91,264	-	6,038,782
Total restricted funds	-	7,770,387	(3,313,078)	-	113,000	4,570,309
Total of funds	-	8,381,431	(3,579,413)	-	113,000	4,915,018

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

Unrestricted funds

The unrestricted funds includes the Local Authority Surplus balance on conversion as well as parental contributions and adult and pupil paid meals, non educational visits and donations to the Trust.

Restricted funds

The restricted funds of the Trust comprise of GAG and other grants received during the year from the ESFA and Local Authority. These funds have been provided for the Trust's educational activities therefore are appropriately treated as restricted.

The Pension Reserve is the Trust's share of the deficit of the Local Government Pension Scheme overseen by the Local Authority.

Restricted fixed asset funds

The restricted fixed asset funds includes tangible assets that were received from the Local Authority on conversion. It also includes any further additions purchased by the Trust during the year from restricted monies.

Under the funding agreement with the Secretary of State, the Multi Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017**

19. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £
Codsall Middle School	112,636
St Nicholas First School	250,308
MAT	292
Total before fixed asset fund and pension reserve	363,236
Restricted fixed asset fund	6,038,782
Pension reserve	(1,487,000)
Total	4,915,018

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2017 £
Codsall Middle School	1,464,659	229,100	111,516	294,739	2,100,014
St Nicholas First School	821,061	125,835	96,027	242,662	1,285,585
	2,285,720	354,935	207,543	537,401	3,385,599

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Intangible fixed assets	-	-	3,166	3,166
Tangible fixed assets	-	-	6,035,616	6,035,616
Current assets	344,709	434,059	-	778,768
Creditors due within one year	-	(415,532)	-	(415,532)
Provisions for liabilities and charges	-	(1,487,000)	-	(1,487,000)
	344,709	(1,468,473)	6,038,782	4,915,018

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017**

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

	2017 £
Net income for the year (as per Statement of Financial Activities)	4,802,018
Adjustment for:	
Depreciation charges	46,241
Dividends, interest and rents from investments	(310)
Increase in debtors	(255,524)
Increase in creditors	2,135,532
Defined benefit pension scheme cost less contributions payable	(120,000)
Land and buildings from local authority on conversion	(5,838,129)
Net cash provided by operating activities	769,828

22. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £
Cash in hand	523,245
Total	523,245

23. PENSION COMMITMENTS

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

As described in note 2 the LGPS obligation relates to the employees of the academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the academy trust at the balance sheet date.

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

There were no outstanding or prepaid contributions at either the beginning or the end of the financial period.

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the period amounted to £297,451.

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.

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the period ended 31 August 2017 was £36,000., of which employer's contributions totalled £132,000. and employees' contributions totalled £168,000.. The agreed contribution rates for future years are 22.2% for employers and 5.5 - 12.5% for employees.

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

Principal actuarial assumptions:

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

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

	2017
Retiring today	
Males	22.1
Females	24.4
Retiring in 20 years	
Males	24.1
Females	26.4

	At 31 August 2017 £
Sensitivity analysis	
Discount rate -0.5%	266,000
Salary rate + 0.5%	61,000
Pension rate +0.5%	200,000

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

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

	Fair value at 31 August 2017 £
Equities	565,000
Corporate bonds	89,000
Property	60,000
Cash and other liquid assets	30,000
	<hr/>
Total market value of assets	744,000
	<hr/>

The actual return on scheme assets was £92,000.

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

	2017 £
Current service cost	(252,000)
Past service cost	(1,408)
Interest cost	(31,000)
	<hr/>
Total	(284,408)
	<hr/>

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

	2017 £
Upon conversion	1,996,000
Current service cost	252,000
Interest cost	44,000
Employee contributions	36,000
Actuarial gains	(51,000)
Benefits paid	(46,000)
	<hr/>
Closing defined benefit obligation	2,231,000
	<hr/>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2017**

23. PENSION COMMITMENTS (continued)

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

	2017 £
Upon conversion	547,000
Interest income	13,000
Actuarial losses	62,000
Employer contributions	132,000
Employee contributions	36,000
Benefits paid	(46,000)
	<hr/>
Closing fair value of scheme assets	744,000
	<hr/>

24. OPERATING LEASE COMMITMENTS

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

	2017 £
Amounts payable:	
Within 1 year	9,539
Between 1 and 5 years	18,984
	<hr/>
Total	28,523
	<hr/>

25. 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.

26. RELATED PARTY TRANSACTIONS

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 13.