

SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2014

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

CONTENTS

	Page
Reference and administrative details of the academy, its trustees and advisers	1 - 2
Trustees' report	3 - 13
Governance statement	14 - 16
Statement on regularity, propriety and compliance	17
Trustees' responsibilities statement	18
Independent auditors' report	19 - 20
Independent reporting accountant's assurance report on regularity	21 - 22
Statement of financial activities	23
Balance sheet	25
Cash flow statement	26
Notes to the financial statements	27 - 48

**SALTASH MULTI ACADEMY REGIONAL TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Members & Trustees	I Bryce, Headteacher and Accounting Officer ^{1,2,3,4,5} K Martin ^{1,2,5} K Waghorn, Chair ^{1,2,3,4,5} P Whitehouse ^{1,2,5}
Trustees	S Candy (resigned 13 March 2014) ^{1,3,6} P Castell (resigned 1 January 2014) ³ B Chalkley, Vice Chair ^{1,3,4,5} J Jones (resigned 1 January 2014) D Landers (resigned 1 January 2014) ⁶ T Mansell ^{1,3,5} B Preston (resigned 1 January 2014) ⁵ J Smith (resigned 9 September 2013) D Yates (resigned 1 January 2014) ⁶ K Willis (resigned 1 January 2014) R Taylor (resigned 1 January 2014) ² S Cooper, Staff Trustee (resigned 1 January 2014) ² G Taylor, Staff Trustee (appointed 20 September 2013, resigned 1 January 2014) ⁵ P Atkinson, Staff Trustee (appointed 20 September 2013, resigned 1 January 2014) ³ E Forde (appointed 1 January 2014) ^{1,2,3,4} K George (appointed 9 January 2014) ^{1,6}
	1 Trust Board 2 Personnel Committee 3 Curriculum, Standards & Achievements Committee 4 Admissions Committee 5 Finance Committee 6 Audit & Compliance
Company registered number	07542166
Principal and Registered office	I Bryce Saltash.Net Community School Wearde Road Saltash Cornwall PL12 4AY
Company secretary	D Stoneman
Accounting officer	I Bryce
Senior management team	Isobel Bryce, Headteacher Nicholas Scantlebury, Deputy Headteacher Linda Griffin, Deputy Headteacher Dan Buckley, Deputy Headteacher Brendan Lee, Assistant Headteacher Peter Bond, Assistant Headteacher Andrew Oldfield, Assistant Headteacher Kate Littleddyke, Assistant Headteacher Christine Dickson, Data & Personnel Manager Joanne Lombard, Business Manager

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2014**

Administrative details (continued)

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

Bankers Natwest
40 Fore Street
Saltash
Cornwall
PL12 6JU

Solicitors Browne Jacobson
1 Manor Court
Dix's Field
Exeter
Devon
EX1 1UP

**SALTASH MULTI ACADEMY REGIONAL TRUST
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2014**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2014. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 4 to 18 in Saltash . It has a pupil capacity of 1,456 and had a roll of 1,390 in the school census on 1 January 2014.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees of Saltash Multi Academy Regional Trust are also the directors of the charitable company for the purposes of company law. The charitable companies are known as saltash.net community school and Landulph Primary School.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

Members' liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £1,000,000.

TRUSTEES

Method of recruitment and appointment or election of Trustees

Nominations for co-opted trustees will be requested by a specified date. These nominations must be made in writing and include the reasons why the nominee wishes to become a trustee and the attributes they can bring to the trust board. These nominations will be considered by the members of the Academy Trust who will decide the successful candidate. The appointment is subject to the issue of a satisfactory enhanced DBS check.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

Policies and Procedures adopted for the Induction and Training of Trustees

The Trust Board and the Executive Head teacher believe it is essential that all new trustees receive a comprehensive induction package covering a broad range of issues and topics. There is a commitment to ensure that new trustees are given the necessary information and support to fulfil their role with confidence. The process is seen as an investment, leading to more effective governance and retention of trustees.

**SALTASH MULTI ACADEMY REGIONAL TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014**

In order to achieve this, new trustees will:

- Be allocated a mentor
- Be sent a letter by the Chair of Trustees welcoming the new trustees giving details of the process for meeting their mentor, the dates of future meetings and location details
- Meet with the Chair of Trustees who will give the new trustees the 'Information for Trustees' Folder and other information as required
- Be contacted by the Head teacher to arrange a visit to the school to include a tour of the school, meet staff and students
- Be invited to an informal meeting with the Head teacher who will cover the background to the school and current issues facing the school
- Meet with their mentor to go through the documentation received, go through the work of committees, discuss new trustee training and discuss any queries, anxieties etc
- Meet with their mentor periodically

A comprehensive checklist will also be completed to ensure the above has been achieved; this will be retained by both the newly appointed trustee and the chair of trustees.

Organisational Structure

The trustees of the Academy Trust are responsible for setting policies to be used within the Trust and normally meet twice each term. Each of the trustees form part of the Trust's six committees, Finance, Curriculum, Standards and Achievement, Trust Board, Personnel, Admissions and Audit. Each committee has its own Terms of Reference which helps to aid the policy making process and outlines the specific responsibilities of each committee.

The current organisation structure consists of the Members, Trustees, the Leadership Group and Departmental Heads. The Leadership Group consists of the Executive Head teacher (the Accounting Officer), three Deputy Head teachers, four Assistant Head teachers, the Business Manager and the Data and Personnel Manager. The Leadership Group control the Academy at an executive level implementing the policies laid down by the Trustees and reporting back to them. They are also responsible for the authorisation of spending within agreed budgets with some spending control being devolved to the Departmental Heads with limits set out within the Academy's scheme of delegation.

The Academy Trust comprises one secondary school – saltash.net community school and one primary school – Landulph Primary School. Each school has its own Governing Body responsible for day to day operations and management of the school's budget. The Trust Board comprises Directors elected from the Governing Body of each school.

The Executive Head Teacher is the Accounting Officer.

Connected Organisations, including Related Party Relationships

The Academy Trust has no connected organisations or related party relationships so is therefore not exposed to any impact this may have on the operating policies of the trust.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object of the Academy Trust is to provide education without prejudice to all students and its aims can be summarised below:-

Saltash.net community school

- To be concerned with the 'how' of learning as well as the 'what'.
- To have focus on skills, especially the skill of learning to learn.
- To use teaching and learning approaches that develops personal qualities.
- To promote independence, creativity and enterprise in young people.
- To use new technologies to extend the possibilities of when and where learning takes place and who is involved in the learning process, as well what and how learners learn.
- To use knowledge actively as a cornerstone for creativity and problem solving.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014**

- To link learning to big issues and community action, and give learning an international dimension.
- To teaching students the skill of research and analysis.
- To ensure our students are confident individuals who become increasingly independent and are able to take initiative and organise themselves.

Landulph Primary School

- To develop in a safe and secure environment in which all pupils and adults thrive, teaching personal responsibility and identifying safe choices
- To be an enthusiastic learner, equipped with the necessary skills to succeed in the future, enjoying the feeling of success after working hard to achieve their goal
- To understand the importance of traditional values, learning respect for each other, developing positive relationships and an awareness of and sensitivity to the needs of others
- To develop pupils' self-esteem and self confidence in their own abilities, both in school and in the wider community.

Objectives, Strategies and Activities

Key priorities for the year are contained within the School Development Plan. Improvement focuses identified for 2013/2014 included:

Saltash.net community school

1. MAT: Developing a Multi-Academy Trust with Landulph school

At the core of all that a school does are the relationships between students, staff, parents and community. We have already worked closely with Landulph School in the run up to forming the MAT and we aim to continue this work to bring both schools together whilst maintaining the unique character of each. We hope to provide joint training days and share resources as well as asking every department to explore connections.

2. Improving learning environments

We have been fortunate in securing a number of bids to improve our building and infrastructure including the replacement of our roof and the fitting of energy saving measures. We also have continuous programmes of renewing and improving our learning environments and displays. This year we aim to repeat the involvement of students in advising and implementing these changes.

3. Personalisation: Focussing intervention to greatest effect

All students have different strengths and barriers to their learning. Across the whole school we are committing to providing opportunities which remove barriers and build on the strengths of each student. This year we are using catch-up and pupil premium funding in a range of experimental ways, evaluating impact and then building on the most effective solutions. Breakfast club and homework club will continue. We will also be investing in projects that extend students of high ability and those who are gifted and talented in one or more areas including in PLTS.

4. 121 Learning: Continuing to increase access to ICT

For the fifth year running, all of our ICT resources are in use all of the time. We need to think of innovative ways for the available funding to allow more students to access new ways of working more of the time. This year we're upgrading our wireless network, upgrading all machines to windows 7, providing Office 365 and expanding the successful tablet project we ran in 2012/13. Ideally but by no means certainly by the end of the year all year 7 will have access to devices in all lessons and at home.

5. Leadership at every level

We will be aiming to provide structured, assessed and qualified leadership opportunities within the MAT to primary students and secondary students (such as hit squad, sports leaders, tech teams, offperts, room managers etc) and to distribute the leadership of the school by providing further opportunities for staff to take ownership of improvement projects that contribute to school development or raising achievement.

6. Improved QA (Quality Assurance) systems

Our commitment to continuous improvement and being outstanding in all aspects of teaching and learning requires effective QA systems. This year we will enhance the reliability of student's individual targets and how progress is measured. We aim to support school improvement contributions from all staff by adding 'before and after' impact assessment to action plans so staff can evaluate successes with greater confidence. All action plans will focus on the raising achievement (2slp/year for all), Quality of teaching (and feedback), our Core Aims and Distribution of Leadership.

7. Recognising and developing the skills that underpin good learning

We will be focussing Integrated Learning towards recognising the PLTS skills and using the SECRET mnemonic to help people remember what they are and use them. We will be expanding the use of these SECRET skills so

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014**

that there is more accurate recording and reporting of them in planners, lessons and progress trackers for year seven.

8. Praising and rewarding

Earned and valued praise fuels learning and creates role models for others to aspire to. We will be both increasing the scope of rewards available and rationalising them to create more consistency and confidence in the data they create. We will be exploring easier ways to record praise quickly including the use of 'expert' peer assessors and higher profile celebration events.

9. Structural and Financial

This is a set of improvements which are behind the scenes and, although their benefits are experienced by all, their implementation only requires action by a few. These include continuing the implementation of cashless catering, responding to changes by the DfE including changes to examinations and courses at KS4 and KS5, ensuring communication with parents continues to be a strength and improving our internal IT network.

Landulph Primary School

1. Learning of all pupils and targeted groups is maximized across reading, writing and numeracy

To ensure that all children are making at least expected levels of progress in reading, writing and numeracy with most children making better than expected progress.

Ensure appropriate differentiation is planned for to meet the needs of all groups of learners.

Provide the appropriate intervention to those children who are identified as not making the expected levels of progress in reading, writing and numeracy.

2. Raise standards in numeracy

Raise standards in numeracy so that it is in line with the attainment and achievement of literacy and in line with national expectations.

To improve rates of progress in EYFS, Key Stage 1 and Key Stage 2 ensuring all children are making at least expected levels of progress in numeracy with most children making better than expected progress.

To ensure that appropriate resources are used to support the learning of all groups of pupils and the profile of numeracy is raised across the school.

3. Redevelopment of the National Curriculum

To redevelop the curriculum in line with the Government requirements for September 2014 that enthuses children and motivates the children to have a love a learning both in school and at home.

4. Extending and Enriching PE and the Outdoor Learning Environment

To maximize the opportunities provided within PE across the whole school.

To maximise opportunities for learners to learn both inside and outside of the classroom.

5. Continue to build strong links with the local community

A successful transition into Saltash Multi Academy Regional Trust (SMART)

To ensure Landulph School is at the heart of the community to raise the profile of the school and increase pupil numbers.

Public Benefit

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

STRATEGIC REPORT

Achievements and Performance

2013-14 was an extremely successful year for both saltash.net community school and Landulph Primary school. The creation of the Multi Academy Trust (SMART) on 1st January 2014 heralded a new era of learning across Saltash and its local districts. Formed to build on and strengthen the collaborative partnership which already existed between the two schools, the first twelve months of the MAT's existence has seen many benefits unfold, not least Landulph Primary school securing its best ever key stage 2 SATS results. Both schools share a common vision for the 'all through' learning community – and that is to provide the highest quality, inclusive educational provision for all children who are part of the MAT.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014**

To launch SMART, saltash.net hosted a joint staff training day in February 2014. Teachers and support staff from both saltash.net and Landulph, as well as another of the primary schools from the Saltash cluster, came together to share excellent cross phase practice, with staff from both the primary and secondary sectors leading workshops.

The work that was being undertaken to develop the Multi Academy Trust became a particular area of focus for the Ofsted team of inspectors when they visited saltash.net community school in March 2014 in order to carry out a full section 5 inspection. It was five and a half years since saltash.net's previous inspection and the school was very pleased to receive a positive validation of the work it has been doing to address the standards agenda.

The overall judgements were as follows:

Achievement:	Good
Quality of Teaching:	Good
Behaviour and Safety:	Outstanding
Leadership and Management:	Outstanding

The Ofsted report, overall, highlighted many strengths and concluded that the school's mission statement 'Believe and Achieve' was 'evident in practice' and that the school was committed firmly to 'improving the life chances of all students'. It also praised saltash.net's specialist work with new technologies stating that 'exceptional ICT practice' existed at the school.

Alongside the challenge of Ofsted, there was also the ongoing challenge of recruitment for both saltash.net and Landulph. The dip in primary numbers continued to affect both schools. A slightly lower annual intake for Year 7 at saltash.net in September 2013, (now 220 on a PAN of 230) was, to a great extent offset by higher than PAN numbers in years 9, 10, 11 (currently 230, 236 and 233). Numbers on roll in the 6th Form were 190 for 2013-14 (currently 214). Landulph Primary school had 64 children on roll during 2013-14 on a PAN of 84 (currently 60 + 2 to join shortly).

The future success of both schools is undoubtedly governed significantly by performance in examinations and tests. For the first time in Landulph school's history children in Year 6 achieved 100% Level 4 and above in Reading, in Writing and in Numeracy. The key stage 1 results were also excellent with 100% Level 2b and above in Reading, Writing and Numeracy.

For saltash.net's students there were some equally strong outcomes. The A Level results were especially good with 100% of students progressing to their first choice university. The overall 2+ A*-E pass rate was 100% with the percentage of 2+ A*- C being 72% (71% previous year).

The ability mix of the Year 11 cohort in 2013-14 was very different to the previous year's cohort. There was a similar number of high band students but significantly less middle band and more lower band students. The results nationally, for 5A*-C, including English and Maths, fell by 6.6 percentage points from 59.2 to 52.6 per cent, based on first entry. saltash.net's entry figure was the same as the national figure, but its best entry figure was first two percentage points higher at 58% (English A*- C 84%, Maths 65%). The disaggregated 5A*- C EM figure is 61%. The percentage of students gaining at least 5A*-G was 95% and for those gaining at least 3A*- A it was 21% on a FFTD target of 12%.

In addition to academic success, there were many extra-curricular successes for students at both saltash.net and Landulph, with Landulph winning the small schools' athletics shield at the county games, and saltash.net becoming football county champions in four separate categories: U14 Girls, U14 Boys, U16 Girls and U16 Boys, another historic achievement.

For the staff, there was more success with the National Teaching Awards, with a regional winner for the outstanding use of technology. The school was also a global winner at the Microsoft World Education Forum held in Barcelona in March, for its innovative use of new technologies.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014**

Key Performance Indicators

The main financial performance indicator is the level of reserves held at the Balance Sheet date. In particular, the management of spending against General Annual Grant (GAG) requires special attention. In period under review, saltash.net community school did not carry forward any GAG and Landulph Primary School carried forward a deficit GAG of £3,933 which was due to redundancies made during the period which were not known at the time of budget setting. This action will ensure a balanced budget for 2014/15.

As funding is based on pupil numbers this is also a key performance indicator. For saltash.net community school, pupil numbers for 2014 were 1,322 a decrease of 37 over 2013. However, with focused marketing and recruitment and the increase in the number of year 6 pupils in the local area, it is anticipated that this number will rise again.

For Landulph Primary School pupil numbers for 2014 were 62, a decrease of 3 over 2013.

Going Concern

After making appropriate enquiries, the board of trustees has a reasonable expectation that the academy has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

FINANCIAL REVIEW

Financial Review

Most of the Academy's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2014 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

During the year ended 31 August 2014, total expenditure of £8,307,108 was covered by recurrent grant funding from the DfE, together with other incoming resources of £254,006. During the year expenditure exceeded income by £165,262. This excludes the restricted fixed asset funds.

At 31 August 2014 the net book value of fixed assets was £11,271,683 and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The land and buildings for Landulph Primary School were transferred to the Academy upon conversion on the 1st January 2014.

The balance of Landulph Primary School's capital fund was transferred across on conversion and is shown within the Restricted Fixed Asset Fund.

The Local Government Pension Scheme as at 31st August 2014 held a deficit of £1,376,000, the breakdown of which is detailed within note 27 to the Financial Statements.

During the year saltash.net community school continued to benefit from an award from British Gas – Generation Green Energy. During the autumn term 2013 120 solar panels were installed. The valuation of these works were approximately £74,000.

Reserves Policy

Overall a normal operating reserve of an average 5% per annum should be held by the Multi Academy Trust and comprise both Restricted and Unrestricted funds. Funds for specific projects should not preclude any carried forward of one off funds. In the year 2013/14 the total reserve for the Multi Academy Trust was 6.11% of overall income, £420,146 in unrestricted funds and the remainder within restricted funds.

Restricted Reserves will be held at a level commensurate with the identified need going forward.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014**

Unrestricted reserves will be at a level necessary to –

- allow future planned expenditure that cannot be met from the annual budget;
- allow the creation and maintenance of a 'sinking fund' for the replacement of large capital and infrastructure items
- create and maintain capacity to deal with unknown items of expenditure that cannot be expected to be funded from annual budgets

Investment Policy

The Multi Academy Trust will, where possible, use its income in the financial and academic years it is acquired; with the exception of that designated as Reserves. Investment therefore means placing that income in a low risk environment so as to be available when needed, but also maximising returns by making use of appropriate savings and other investment accounts. To expedite this, the Business Manager is authorised to move funds among the Academies accounts.

Any monies identified for a future purpose with an identified date will be invested appropriately.

The Finance Director is aware of the risks of having all the Academies funding within one bank but believes the administrative convenience outweighs the negligible risk associated with it. The Business Manager will also ensure that the chosen bank is of a minimum of an A rating unless there is a compelling reason for it not to be.

PRINCIPAL RISKS AND UNCERTAINTIES

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

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

Category	Sub Category	Specific Risk	Likelihood (5=high: 1=low)	Impact (5=high : 1= low)	Response: Tolerate; Treat; Terminate	Target Date	Review Date	Progress Report /Evidence
Finance	Financial Control	Full and accurate accounts not kept	1	5	Treat	Monthly	Half Termly	Monthly financial accounts produced. Qualified staff in place Oversight by Finance Committee Accounting Officer appointed Responsible officer in place
Finance	Financial Control	One person has complete control and access	2	4	Treat	Ongoing	Ongoing	Implement appropriate system of checks and delegation
Finance	Financial Control	System open to financial abuse	2	2	Treat	Ongoing	Annual	Implement appropriate systems of checks
Finance	Financial Control	Budget not prepared in time to meet YPLA timetable	1	5	Treat	Annual	Annual	Policies and timetable in place to ensure Budget prepared on time
Finance	Financial Control	Budget in deficit	2	3	Tolerate/Treat	Annual	Annual	Deficit ok if planned and covered by reserves or expected income
Finance	Financial Control	Budget not adhered to/ cashflow not managed	1	4	Treat	Half termly	Monthly	Monthly financial statements and accounts Half termly Finance committee meetings
Finance	Financial Control	Failure to meet audit legislative requirements	1	4	Treat	Annual	Annual	Documentation produced on time

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014**

Finance	Financial Control	Failure to meet Companies House/Charity Commission requirements	1	4	Treat	Annual	Annual	Governors financial report produced in a timely manner with external accountants
Finance	Financial Systems	Financial systems are not suitable to produce required information	1	4	Treat	Termly	Termly	Maintain system monitoring. Adequate information provided in a timely manner.
Finance	Financial Systems	System will not be maintained	1	4	Treat	Ongoing	Ongoing	Take out maintenance contract with quality provider
Finance	Financial Systems	Information cannot be recovered in event of a disaster	1	5	Treat	Ongoing	Ongoing	Maintain information backup on separate site
Finance	Financial Systems	Unauthorised access	1	4	Treat	Ongoing	Ongoing	Maintain proper security procedures with agreed levels of authority and access
Finance	Income	Not sufficient to cover planned expenditure and liabilities	1	4	Treat	Annual	Annual	Adjust expenditure
Finance	Student Recruitment	Year 7 and/or Year 12 entry below planned numbers	2	5	Treat	Annual	Annual	Adjust staffing and courses
Finance	Restricted and Unrestricted funds	Funds allocated to incorrect category	1	4	Treat	Ongoing	Ongoing	Monthly financial statements and accounts
Finance	Investment	Funds invested inappropriately	1	3	Treat	Ongoing	Ongoing	Monitor investments. Restrict authorisation to move large sums. Ensure investments are in line with cashflow requirements
Finance	Pension	Scheme in significant deficit		5	Treat			
Finance	Pension	Employers rate increases unsustainably		5	Treat			
Finance	Conflicts of interest/personal benefit	Governors benefit financially from outside interests	2	2	Tolerate	Ongoing	Ongoing	Register of financial interests maintained. Governors regularly declare any interest. Tender policies and procedure adhered to
Category	Sub category	Specific Risk	Likelihood (5=high, 1=low)	Impact (5=high, 1=low)	Response / Mitigation	Target Date	Review Date	Progress/Evidence
CSA	B & S	Failure of safeguarding	1	4	Robust systems to ensure student safety.	Ongoing	Annually (TB)	
CSA	All	OFSTED 3 /4	1	4/5	Rigorous QA systems, Correct interpretation and application of current OFSTED policy	Ongoing	3/4 years	

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014**

CSA	Achievement	Poor examination results	2	3	Rigorous QA systems, accuracy of internal data. Active intervention. Monitoring of political landscape	Ongoing	Biannual (Link)
CSA	Teaching quality	Low percentage of good and outstanding	1	4	Teaching appointments. Standardisation of observations. Follow up strategy for 3/ 4 scores	Half yearly	Annual (TB)
CSA	L & M	Significant reduction in government funding (e.g. end of pupil premium)	3	3	Greater flexibility e.g. Pursue strategies for improvement which are not dependent on high staff ratios.	Annual	Annual (Finance)
CSA	L & M	Loss of Microsoft status	2	2	Active involvement with PiL programme at all levels. Predominant MS school platform	Fortnightly	Annual
CSA	L & M	Students selecting alternative provision e.g. UTC impact	1	2	Responding to student needs through options system. Ensuring relevant and responsive curriculum. Large scale surveys (e.g. Kirkland Rowell)	Annual	Annual (CSA)

PLANS FOR FUTURE PERIODS

The following projects have been identified as the key areas for development at **saltash.net community school** in the coming year 2014/15:

1. Relationships with other institutions: SMART and others

Ideas that revisit and refine cross curricular links in the MAT between Landulph and saltash.net and investigate extending the MAT services.

2. Improving learning Environments

Ideas that will spread the excellent practice described by OFSTED to all areas of the school and use student voice much more in managing and advising on improvements to the learning environments in classrooms and corridors.

3. Opportunities to personalise the learning for students and staff

Ideas for how we respond to our two OFSTED follow up actions, namely; ideas for ensuring consistent personalised marking and feedback to students which they can respond to and which encourage reflection and; opportunities for staff who are outstanding in one particular area to work collaboratively with staff from different departments/ teams who are developing their practice in that area so that the outstanding practice spreads more consistently to all departments

4. Resources including 121 and BYOD

Ideas that build on the 'exceptional use of ICT' for learning that was identified by OFSTED we will be at least maintaining our current level of provision in ICT and if possible enhancing it through the new opportunities made possible through our upgraded network. We will carry forward our investigations into the most cost effective ways of introducing 121 provision including how BYOD (bring your own device) can be supported.

5. Distribution of Leadership at every level

Projects that involve staff and/or students taking the lead in developing a new idea, evaluating its impact, sharing their experience and encouraging others to adopt projects if they were successful. This includes empowering others and students to lead projects.

6. Evaluation: Improved QA (Quality Assurance) systems

Building on our outstanding QA and evaluation systems as recognised by OFSTED we will be taking the key documents used in this process and placing them on an annual review cycle. These include the lesson observation paperwork, learning walk forms, action planning and work scrutiny forms. The SEF summary will be refreshed half termly. Our main driver will be to improve the way we are able to adapt our practice.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014**

7. Recognition of the skills that underpin good learning

A) Middle leaders and LG will find ways of Identifying best practice in use of the SECRET skills across the curriculum so that we can spread best practice. In response to requests from the student council we will share example of when staff in KS4 and 5 teaching particularly, used SECRET skills as a way to enhance their coverage of content in their subject and this resulted in more rapid or sustained progress.

B) Development of the Zapper. This idea emerged from students and staff who wrote up the core aims research. It was made into a video proposal by a student in year 10 and shown at the February INSET day. We will work with the student council and students capable of app development to try and develop a trial before the end of the year. The system will allow students to recognise the achievements of classmates as well as allowing teachers to quickly record praise by 'zapping' a QR code on the student's planner with their laptop or mobile phone.

8. Structural and Financial

This is a set of improvements which are behind the scenes and, although their benefits are experienced by all, their implementation only requires action by a few. These include continuing the implementation of cashless catering, responding to changes by the DfE including changes to examinations and courses at KS4 and KS5, ensuring communication with parents continues to be a strength and improving our internal IT network.

The rewriting of assessment practice, rewriting of KS4 and KS5 curricula are major investments for this year.

The following projects have been identified as the key areas for development at **Landulph Primary School** in the coming year 2014/15:

1. Learning of all pupils and targeted groups

To ensure that all children are making at least expected levels of progress in reading, writing and numeracy with most children making better than expected progress. All more able children make better than expected progress in reading, writing and numeracy. Develop and embed a new assessment system that monitors and tracks the progress of all groups of learners.

Provide the appropriate intervention to those children who are identified as not making the expected levels of progress in reading, writing and numeracy with the use of Class Alert Plans and SEN Support Plans.

2. Ensure the teaching and learning for all pupils is consistently good and better

Maintain a full rigorous monitoring system for the core subjects and embed this across the other subjects focusing on both planning and books across the school. Improve the effectiveness and consistency of marking and feedback provided to the children, ensuring that time is given for children to move their own learning forward following feedback and advice given. To introduce pupil voice with marking feedback. To continuously improve the use of data monitoring by staff to target intervention. Plan for CPD which involves a whole school approach towards developing teaching and learning further across the school. To develop assessment methods within the EYFS to track the progress made across the year ensuring 100% of children make at least expected progress across all areas. To ensure children are developing their speaking and listening skills in EYFS through positive peer relationships to ensure 100% make good progress at the end of Foundation in speaking and listening. To improve the outdoor learning provision for EYFS, allowing children the opportunity to learn within this enabling environment. To continue to maximize the opportunities provided within PE and outdoor learning across the whole school.

3. Ensure the behaviour, safety and attitude to learning from all children is highly positive enabling all children to make at least expected progress.

Embed a new behaviour system across the school that promotes and celebrates consistently good behaviour and challenges low level disruption that inhibits the learning of others. Promote high attendance by all children and punctuality to maximise learning opportunities. To increase staff awareness of thinking and enquiry skills so that children are aware of their own learning style and become more reflective and independent with a deeper thirst for knowledge and understanding.

4. Strengthen leadership teams and consistency across the school to continue promoting a shared responsibility for school improvement maximising the progress of all.

Strengthening the middle / senior leadership within the school to promote and lead school improvement effectively to influence the quality of teaching and learning across the school. Continue embedding the robust monitoring system linked with rigorous Performance Management that supports and challenges to ensure that all staff and children are reaching their full potential. Continue to strengthen the Governor's profile across the school, through monitoring as link governors with staff, extending their knowledge of teaching and learning in line with whole school and government changes. To develop links with parents, preschool and the wider community. Embed a new curriculum that is broad and balanced and meets the needs of learners across the school.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2014**

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy and its Trustees do not act as the Custodian Trustees of any other Charity.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the board of trustees, as company directors, on 27 November 2014 and signed on the board's behalf by:

K Waghorn
Chair of Trustees

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Saltash Multi Academy Regional 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 Executive Headteacher, 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 Saltash Multi Academy Regional 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 Trustees' responsibilities statement. The board of trustees has formally met 8 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
I Bryce, Headteacher and Accounting Officer	8	8
K Martin	8	8
K Waghorn, Chair	8	8
P Whitehouse	7	8
S Candy	3	5
P Castell	0	1
B Chalkley, Vice Chair	8	8
J Jones	1	1
D Landers	0	1
T Mansell	4	8
B Preston	1	1
J Smith	0	0
D Yates	1	1
K Willis	1	1
R Taylor	1	1
S Cooper, Staff Trustee	0	1
G Taylor, Staff Trustee	0	0
P Atkinson, Staff Trustee	1	1
E Forde	4	6
K George	4	6

Governance reviews:

Saltash.net community school was subject to an Ofsted inspection on the 19th and 20th of March 2014. The report that was issued as a result of this inspection gave the following information regarding the governance of the school:

The governing body is very well informed and active in the life of the school.

The governors, through regular visits to the school, have a clear insight into the work of the school and many have a strong sense of responsibility for its success. They hold leaders to account and challenge them to be ever more successful. They have a very clear understanding of the quality of teaching and its impact on students' learning. They manage the performance of staff effectively and are rigorous in ensuring that a salary progression is justified.

Governors check carefully on the use of additional funding, such as the pupil premium and Year 7 catchup, in improving the achievement of eligible students. As a result, they provide very effective support to the school. They oversee the management of finances and resources expertly.

Governors rigorously check safeguarding practice and have ensured that safeguarding procedures meet current legal requirements.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

The **Finance Committee** is a sub-committee of the main board of trustees. Its purpose is to assist the decision making of the board of trustees by enabling a more detailed consideration to be given to the best means of fulfilling the board of trustee's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
I Bryce, Headteacher and Accounting Officer	4	4
S Pearson	2	2
T Mansell	4	4
K Martin, Chair	4	4
K Waghorn	4	4
P Whitehouse	4	4
B Chalkley	4	4
B Preston	4	4
G Taylor	2	4

The **Audit Committee** is also a sub-committee of the main board of trustees. Its purpose is to help promote the highest standards of propriety in the use of public funds and encourage proper accountability for the use of those funds. To promote the development of internal control systems which will help satisfy the board of trustees that the academy will achieve its objectives whilst operating in accordance with any statutory requirements.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
S Candy	2	2
D Landers	0	2
P Castell	1	2
D Yates	1	2
K Willis	1	2
R Taylor	1	2

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Saltash Multi Academy Regional Trust for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The board of trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2013 to 31 August 2014 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

GOVERNANCE STATEMENT (continued)

THE RISK AND CONTROL FRAMEWORK

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

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

The board of trustees have considered the need for a specific internal audit function and have decided not to appoint an internal auditor. However, the Trustees have appointed Bishop Fleming LLP, the external auditors, to perform additional checks.

The auditors' role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a semi-annual basis, the auditors report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the audit committee and a plan to ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 27 November 2014 and signed on its behalf, by:

K Waghorn
Chair of Trustees

I Bryce
Accounting Officer

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the 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.

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

I Bryce
Accounting Officer

Date: 27 November 2014

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

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

Company law requires the 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;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

K Waghorn
Chair of Trustees

Date: 27 November 2014

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SALTASH MULTI ACADEMY REGIONAL TRUST

We have audited the financial statements of Saltash Multi Academy Regional Trust for the year ended 31 August 2014 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement 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) and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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 academy'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 academy's affairs as at 31 August 2014 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

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 year for which the financial statements are prepared is consistent with the financial statements.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SALTASH MULTI ACADEMY REGIONAL TRUST

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.

Pamela Tuckett FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date:

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

In accordance with the terms of our engagement letter dated 23 October 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Saltash Multi Academy Regional Trust during the year 1 September 2013 to 31 August 2014 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Saltash Multi Academy Regional Trust and EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Saltash Multi Academy Regional Trust and EFA 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 Saltash Multi Academy Regional Trust and EFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF SALTASH MULTI ACADEMY REGIONAL TRUST'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Saltash Multi Academy Regional Trust's funding agreement with the Secretary of State for Education dated 24 March 2011, and the Academies Financial Handbook extant from 1 September 2013, 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 2013 to 2014. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 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 2013 to 2014 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2013 to 31 August 2014 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Pamela Tuckett FCA DChA (Reporting Accountant)

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

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Transfer from Local Authority on conversion	2	-	(45,000)	450,852	405,852	-
Other voluntary income	2	816	23,519	-	24,335	21,206
Activities for generating funds	3	26,573	-	-	26,573	28,899
Investment income	4	5,835	-	-	5,835	10,993
Incoming resources from charitable activities	5	220,782	7,408,020	309,232	7,938,034	7,695,807
TOTAL INCOMING RESOURCES		254,006	7,386,539	760,084	8,400,629	7,756,905
RESOURCES EXPENDED						
Costs of generating funds:						
Fundraising expenses and other costs		1,106	-	-	1,106	-
Charitable activities	6	216,491	7,505,300	546,429	8,268,220	7,826,433
Governance costs	10	-	37,782	-	37,782	34,176
TOTAL RESOURCES EXPENDED	7	217,597	7,543,082	546,429	8,307,108	7,860,609
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS		36,409	(156,543)	213,655	93,521	(103,704)

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (continued)
FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Transfers between Funds	19	(67,952)	22,824	45,128	-	-
NET INCOME / (EXPENDITURE) FOR THE YEAR		(31,543)	(133,719)	258,783	93,521	(103,704)
Actuarial gains and losses on defined benefit pension schemes		-	(672,000)	-	(672,000)	58,000
NET MOVEMENT IN FUNDS FOR THE YEAR		(31,543)	(805,719)	258,783	(578,479)	(45,704)
Total funds at 1 September 2013		451,689	(480,917)	11,078,361	11,049,133	11,094,837
TOTAL FUNDS AT 31 AUGUST 2014		420,146	(1,286,636)	11,337,144	10,470,654	11,049,133

All activities relate to continuing operations.

The Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 27 to 48 form part of these financial statements.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07542166**

**BALANCE SHEET
AS AT 31 AUGUST 2014**

	Note	£	2014 £	£	2013 £
FIXED ASSETS					
Tangible assets	16		11,271,683		10,958,806
CURRENT ASSETS					
Stocks		11,230		12,989	
Debtors	17	160,531		152,966	
Cash at bank and in hand		897,212		870,308	
			<u>1,068,973</u>	<u>1,036,263</u>	
CREDITORS: amounts falling due within one year	18	(494,002)		(344,936)	
NET CURRENT ASSETS			<u>574,971</u>		<u>691,327</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>11,846,654</u>		<u>11,650,133</u>
Defined benefit pension scheme liability	27		<u>(1,376,000)</u>		<u>(601,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			<u><u>10,470,654</u></u>		<u><u>11,049,133</u></u>
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	19	89,364		120,083	
Fixed asset funds	19	11,337,144		11,078,361	
			<u>11,426,508</u>	<u>11,198,444</u>	
Restricted funds excluding pension liability					
Pension reserve		(1,376,000)		(601,000)	
			<u>10,050,508</u>	<u>10,597,444</u>	
Total restricted funds			<u>10,050,508</u>	<u>10,597,444</u>	
Unrestricted funds	19		<u>420,146</u>	<u>451,689</u>	
TOTAL FUNDS			<u><u>10,470,654</u></u>	<u><u>11,049,133</u></u>	

The financial statements were approved by the Trustees, and authorised for issue, on 27 November 2014 and are signed on their behalf, by:

I Bryce, Head Teacher

K Waghorn, Chair of Trustees

The notes on pages 27 to 48 form part of these financial statements.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2014**

	Note	2014 £	2013 £
Net cash flow from operating activities	21	120,291	(52,194)
Returns on investments and servicing of finance	22	5,835	10,993
Capital expenditure and financial investment	22	(123,228)	(30,395)
Cash transferred on conversion to an academy trust		24,006	-
INCREASE/(DECREASE) IN CASH IN THE YEAR		26,904	(71,596)

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2014**

	2014 £	2013 £
Increase/(Decrease) in cash in the year	26,904	(71,596)
MOVEMENT IN NET FUNDS IN THE YEAR	26,904	(71,596)
Net funds at 1 September 2013	870,308	941,904
NET FUNDS AT 31 AUGUST 2014	897,212	870,308

The notes on pages 27 to 48 form part of these financial statements.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 to 2014 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 FUND ACCOUNTING

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

Investment income, gains and losses are allocated to the appropriate fund.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.3 INCOMING RESOURCES

All incoming resources are included in the Statement of financial activities when the academy has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund.

Capital grants are recognised when receivable 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 academy which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

The value of donated services and gifts in kind provided to the academy are recognised at their open market value in the period in which they are receivable as incoming resources, where the benefit to the academy can be reliably measured. An equivalent amount is included as expenditure under the relevant heading in the Statement of financial activities, except where the gift in kind was a fixed asset in which case the amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy's policies.

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.4 RESOURCES EXPENDED

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

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the academy's educational operations.

Governance costs include the costs attributable to the academy's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements. The Trustees conclude that it is appropriate to prepare accounts on the going concern basis for the year ended 31 August 2014.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 are capitalised.

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. The related grants are credited to a restricted fixed asset fund in the Statement of financial activities and are carried forward in the Balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the Statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the Academy's depreciation policy.

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.

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold property	-	4% / 2% / 0.8% straight line
Office equipment	-	20% straight line
Computer equipment	-	33% straight line

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.7 OPERATING LEASES

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

1.8 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks.

1.9 TAXATION

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

1.10 PENSIONS

Retirement benefits to employees of the academy are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ("SERPS"), and the assets are held separately from those of the academy.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 27, the TPS is a multi-employer scheme and the academy is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the academy 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 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 gains and losses on the settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of financial activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

1. ACCOUNTING POLICIES (continued)

1.11 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 and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from Landulph Primary School to an academy trust have been valued at their fair value, being a reasonable estimate of the current market value that the Trustees would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for Saltash Multi Academy Regional Trust. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in the Statement of financial activities and analysed under unrestricted funds, restricted funds and restricted fixed asset funds.

Land and Buildings have been included as per the valuation by the EFA whilst other fixed assets have been included at amounts valued by the Trustees. Pension assets and liabilities have been valued by Mercer Limited.

Further details of the transaction are set out in note 25.

2. VOLUNTARY INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Transfer from Local Authority on conversion	-	405,852	405,852	-
Donations	816	23,519	24,335	21,206
	816	429,371	430,187	21,206

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Lettings	24,695	-	24,695	26,535
Breakfast Club fees received	1,106	-	1,106	-
Farm sales	772	-	772	2,364
	26,573	-	26,573	28,899

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

4. INVESTMENT INCOME

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Bank interest	5,835	-	5,835	10,993

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
DfE/EFA grants				
General Annual Grant	-	6,681,831	6,681,831	6,648,398
Start up Grants	-	52,942	52,942	-
Capital Grants	-	309,232	309,232	293,989
Other DfE/EFA grants	-	383,199	383,199	275,215
PE and Sports Grant	-	3,261	3,261	7,600
	-	7,430,465	7,430,465	7,225,202
Other Government grants				
Special Educational Needs	-	161,305	161,305	154,690
Golden Hellos income	-	-	-	18,380
AST funding	-	-	-	5,883
SECLP	-	20,000	20,000	-
	-	181,305	181,305	178,953
Other funding				
Internal catering income	210,549	-	210,549	173,871
Income for hosting trainee teachers	9,233	6,204	15,437	10,040
Other curriculum income	1,000	99,278	100,278	107,741
	220,782	105,482	326,264	291,652
	220,782	7,717,252	7,938,034	7,695,807

6. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY FUND TYPE

	Unrestricted funds 2014 £	Restricted funds 2014 £	Total funds 2014 £	Total funds 2013 £
Education	216,491	8,051,729	8,268,220	7,826,433

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

7. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	Total
	2014	Premises	Other	2014	2013
	£	2014	2014	£	£
		£	£		
Breakfast Club expenditure	1,106	-	-	1,106	-
COSTS OF GENERATING FUNDS	1,106	-	-	1,106	-
Direct costs	5,381,948	364,465	807,052	6,553,465	6,200,285
Support costs	807,769	329,798	577,188	1,714,755	1,617,969
CHARITABLE ACTIVITIES	6,189,717	694,263	1,384,240	8,268,220	7,818,254
GOVERNANCE	-	-	37,782	37,782	34,176
	6,190,823	694,263	1,422,022	8,307,108	7,852,430

8. DIRECT COSTS

	Total	Total
	2014	2013
	£	£
Pension finance costs	4,000	5,821
Educational supplies	390,578	376,804
Examination fees	128,299	129,298
Staff development	22,129	21,426
Other costs	149,938	160,227
Supply teachers	52,435	7,772
Wages and salaries	4,365,152	4,168,329
National insurance	330,575	321,152
Pension cost	633,786	570,982
Depreciation	476,573	438,474
	6,553,465	6,200,285

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

9. SUPPORT COSTS

	Total 2014 £	Total 2013 £
Pension finance costs	4,000	8,179
Other costs	56,937	88,059
Recruitment and other staff costs	25,290	23,513
Maintenance of premises and equipment	136,213	194,124
Cleaning	17,930	17,217
Rent and rates	35,857	43,165
Heat and light	91,735	81,399
Insurance	75,271	77,534
Security and transport	23,312	24,038
Catering	197,092	150,832
Technology costs	78,927	34,012
Office overheads	24,022	25,659
Legal and professional	65,279	23,559
Bank interest and charges	5,265	5,283
Wages and salaries	636,256	608,986
National insurance	31,243	29,748
Pension cost	140,270	127,492
Depreciation	69,856	63,349
	<u>1,714,755</u>	<u>1,626,148</u>

10. GOVERNANCE COSTS

	Total funds 2014 £	Total funds 2013 £
Auditors' remuneration	6,700	5,280
Auditors' non audit costs	2,525	6,640
Legal and Professional	25,334	5,348
Other costs	3,223	16,908
	<u>37,782</u>	<u>34,176</u>

11. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2014 £	2013 £
Depreciation of tangible fixed assets:		
- owned by the charity	546,429	501,823
Auditors' remuneration	6,700	5,280
Auditors' remuneration - non-audit	2,525	6,640
Operating lease rentals:		
- other operating leases	27,097	24,306
	<u>582,751</u>	<u>539,672</u>

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

12. STAFF

a. Staff costs

Staff costs were as follows:

	2014 £	2013 £
Wages and salaries	4,938,259	4,777,315
Social security costs	361,818	350,900
Pension costs	774,056	698,474
	<u>6,074,133</u>	<u>5,826,689</u>
Supply teacher costs	50,127	-
Staff restructuring costs	13,022	-
Agency supply teacher costs	52,435	7,772
	<u>6,189,717</u>	<u>5,834,461</u>

The above does not include Breakfast Club staff costs of £1,106 as shown in Note 7.

b. Staff numbers

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

	2014 No.	2013 No.
Teachers	90	84
Administration and support	79	76
Management	10	11
	<u>179</u>	<u>171</u>

c. Higher paid staff

The number of employees whose emoluments fell within the following bands was:

	2014 No.	2013 No.
In the band £60,001 - £70,000	3	2
In the band £90,001 - £100,000	1	1
	<u>4</u>	<u>3</u>

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, pension contributions for these staff amounted to £41,051 (2013: £31,704).

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

13. CENTRAL SERVICES

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

- Business and Finance
- Administration and Human Resources
- Information Technology
- Premises Management
- School Improvement Support and Management

The academy charges for these services on the following basis:

For the initial first 8 month period 2.3% of the academy's funding was retained. Going forward a 5% top slice of the academy's annual funding will be retained.

The actual amounts charged during the year were as follows:

	2014
	£
Landulph Primary School	4,737
	<hr/>

14. TRUSTEES' REMUNERATION AND EXPENSES

During the year retirement benefits were accruing to 2 Trustees (2013: 3) in respect of defined benefit pension schemes.

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the academy in respect of their role as Trustees. The value of Trustees' remuneration was as follows: I Bryce, Headteacher between ninety five thousand and one hundred thousand pounds (2013: between ninety thousand and ninety five thousand pounds), S Cooper between thirty five thousand and forty thousand pounds (2013: between forty thousand and forty five thousand pounds), G Taylor between twenty five thousand and thirty thousand pounds (2013: nil). The value of Trustees' pension contributions in respect of defined benefit schemes made in the year was as follows: I Bryce, Headteacher between ten thousand and fifteen thousand pounds (2013: between ten thousand and fifteen thousand pounds), G Taylor between zero and five thousand pounds (2013: nil).

During the year, no Trustees received any benefits in kind (2013: £NIL).

During the year ended 31 August 2014, expenses totalling £1,101 (2013: £3,145) were reimbursed to 4 Trustees (2013: 5).

15. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2014 was £1,600 (2013: £1,600). The cost of this insurance is included in the total insurance cost.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

16. TANGIBLE FIXED ASSETS

	Long term leasehold property £	Fixtures, fittings and equipment £	Computer equipment £	Total £
COST				
At 1 September 2013	11,591,564	147,032	339,902	12,078,498
Additions	361,378	13,435	57,647	432,460
Transfer on conversion	426,846	-	-	426,846
	<u>12,379,788</u>	<u>160,467</u>	<u>397,549</u>	<u>12,937,804</u>
DEPRECIATION				
At 1 September 2013	910,540	29,570	179,582	1,119,692
Charge for the year	417,888	29,958	98,583	546,429
	<u>1,328,428</u>	<u>59,528</u>	<u>278,165</u>	<u>1,666,121</u>
NET BOOK VALUE				
At 31 August 2014	<u>11,051,360</u>	<u>100,939</u>	<u>119,384</u>	<u>11,271,683</u>
At 31 August 2013	<u>10,681,024</u>	<u>117,462</u>	<u>160,320</u>	<u>10,958,806</u>

The academy' transactions relating to land and buildings included:

- the acquisition of Landulph Primary School which was donated to the Academy at a value of £426,846.

17. DEBTORS

	2014 £	2013 £
Trade debtors	14,102	16,637
VAT recoverable	58,920	69,231
Prepayments and accrued income	87,509	67,098
	<u>160,531</u>	<u>152,966</u>

**18. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2014 £	2013 £
Trade creditors	95,834	48,994
Other taxation and social security	210,909	192,752
Other creditors	54,884	50,050
Accruals and deferred income	132,375	53,140
	<u>494,002</u>	<u>344,936</u>

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

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

	£
DEFERRED INCOME	
Deferred income at 1 September 2013	15,867
Resources deferred during the year	81,104
Amounts released from previous years	(15,867)
	<u>81,104</u>
Deferred income at 31 August 2014	<u><u>81,104</u></u>

At the balance sheet date the Academy was holding funds received in respect of rates relief covering the period September 2014 to March 2015 together with income relating to the autumn and spring term Universal Infant Free School Meals funding and Special Educational Needs Area Resource Base Unit top up funding for the 2014/15 academic year.

19. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General Funds	451,689	254,006	(217,597)	(67,952)	-	420,146
RESTRICTED FUNDS						
	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General Annual Grant (GAG)	79,849	6,713,313	(6,817,649)	20,554	-	(3,933)
Sponsor funding	-	25,400	(25,400)	-	-	-
Special Educational Needs	-	161,305	(161,305)	-	-	-
Donations	5,512	-	-	-	-	5,512
Pupil Premium	23,762	328,522	(290,763)	-	-	61,521
Start up grant	-	52,942	(52,942)	-	-	-
Named pupil allowance	139	-	(41)	-	-	98
British Gas Gift in Kind	-	74,000	(74,000)	-	-	-
16-18 Bursary	10,821	29,277	(24,618)	-	-	15,480
SECLP	-	20,000	(11,000)	-	-	9,000
PE and Sports Grant	-	3,261	(2,396)	-	-	865
School trips	-	23,519	(24,968)	2,270	-	821
Pension reserve	(601,000)	(45,000)	(58,000)	-	(672,000)	(1,376,000)
	<u>(480,917)</u>	<u>7,386,539</u>	<u>(7,543,082)</u>	<u>22,824</u>	<u>(672,000)</u>	<u>(1,286,636)</u>

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

19. STATEMENT OF FUNDS (continued)

RESTRICTED FIXED ASSET FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Fixed assets transferred on conversion	9,861,523	426,846	(413,191)	-	-	9,875,178
Fixed assets purchased from GAG and other restricted funds	240,426	-	(61,667)	45,128	-	223,887
LA Devolved formula capital	21,079	24,006	(211)	-	-	44,874
Academy capital maintenance grant	848,839	267,511	(38,023)	-	-	1,078,327
Devolved formula capital	59,821	31,721	(27,413)	-	-	64,129
Other capital grants received	29,166	-	(834)	-	-	28,332
ARB lift scheme	17,507	-	(4,801)	-	-	12,706
Big Lottery	-	10,000	(289)	-	-	9,711
	<u>11,078,361</u>	<u>760,084</u>	<u>(546,429)</u>	<u>45,128</u>	<u>-</u>	<u>11,337,144</u>
Total restricted funds	<u>10,597,444</u>	<u>8,146,623</u>	<u>(8,089,511)</u>	<u>67,952</u>	<u>(672,000)</u>	<u>10,050,508</u>
Total of funds	<u><u>11,049,133</u></u>	<u><u>8,400,629</u></u>	<u><u>(8,307,108)</u></u>	<u><u>-</u></u>	<u><u>(672,000)</u></u>	<u><u>10,470,654</u></u>

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

Restricted Funds

General Annual Grant - Income from the EFA which is to be used for the normal running costs of the Academy, including education and support costs.

Sponsor funding - This represents one off funding received from the EFA to contribute to the cost of sponsoring Landulph Primary School.

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

Donations - This represents general donations to be used for the normal running of the Academy, including education and support costs.

Pupil Premium - Represents funding received from the EFA for children that qualify for free school meals to enable the academy to address the current underlying inequalities between those children and their wealthier peers.

Start up Grant - This represents one off funding received from the EFA to contribute to the cost of Landulph Primary School converting from a school to an academy.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

19. STATEMENT OF FUNDS (continued)

Named Pupil Allowance - Income received from the Local Authority for specific students (EAL).

British Gas Gift in Kind income - The Academy has received repairs and maintenance works free of charge to the value of £74,000 in the year.

16 - 18 Bursary - This represents income from the EFA to be used to assist students between 16 and 18 years of age to continue in education, where they might otherwise struggle for financial reasons.

SECLP - The Academy received this income from the South East Cornwall Learning Partnership to enhance Modern Foreign Languages.

PE and Sports Grant - Income from EFA for PE activities and teaching.

Pension Reserve – This represents the academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an academy. The academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

Fixed Asset Funds

Fixed Assets Transferred on Conversion – This represent the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

Fixed Assets Purchased from GAG and Unrestricted funds - This represents funds transferred from the restricted GAG fund to purchase fixed assets.

LA Devolved Formula Capital – This represents the income due from the Local Authority on conversion to an Academy to fund capital projects.

Academy Capital Maintenance Grant - Income received for specific projects tendered for and completed during the year.

Devolved Formula Capital - This represents funding from the EFA to cover the maintenance and purchase of the academy's assets.

Other Capital Grants - Income received from Savoy Educational Trust for a specific capital project completed during the prior year.

ARB Lift Scheme - Income received from the Local Authority for a specific capital project completed during the prior year.

Big Lottery - One off funding to provide the Academy with a Trim Trail.

Other Information

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2014.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

19. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2014 were allocated as follows:

	Total £
Saltash.net Community School	511,377
Landulph Primary School	(1,866)
	<hr/>
Total before fixed asset fund and pension reserve	509,511
Restricted fixed asset fund	11,337,144
Pension reserve	(1,376,000)
	<hr/>
Total	<u>10,470,655</u>

The following academy is carrying a net deficit on its portion of the funds as follows:

Name of academy	Amount of deficit £
Landulph Primary School	(3,933)

The deficit outcome is due to redundancy payments made in the period.

The academy is taking the following action to return the academy to surplus:

The reduction in staff following the redundancies will result in reduced personnel costs in 2014/15.

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 depreciation £	Total £
Saltash.net Community School	5,191,328	785,316	332,302	1,173,749	7,482,695
Landulph Primary School	165,866	13,398	5,702	35,018	219,984
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>5,357,194</u>	<u>798,714</u>	<u>338,004</u>	<u>1,208,767</u>	<u>7,702,679</u>

SUMMARY OF FUNDS

	Brought forward £	Incoming resources £	Resources expended £	Transfers in/out £	Carried forward £
Unrestricted funds	451,689	277,525	(241,961)	(66,286)	420,967
Restricted funds	(480,917)	7,384,020	(7,460,718)	21,158	(536,457)
Restricted fixed asset funds	11,078,361	760,084	(546,429)	45,128	11,337,144
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	<u>11,049,133</u>	<u>8,421,629</u>	<u>(8,249,108)</u>	<u>-</u>	<u>11,221,654</u>

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

20. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2014 £	Restricted funds 2014 £	Restricted fixed asset funds 2014 £	Total funds 2014 £	Total funds 2013 £
Tangible fixed assets	-	-	11,271,683	11,271,683	10,958,806
Current assets	420,146	583,366	65,461	1,068,973	1,036,263
Creditors due within one year	-	(494,002)	-	(494,002)	(344,936)
Pension scheme liability	-	(1,376,000)	-	(1,376,000)	(601,000)
	<u>420,146</u>	<u>(1,286,636)</u>	<u>11,337,144</u>	<u>10,470,654</u>	<u>11,049,133</u>

21. NET CASH FLOW FROM OPERATING ACTIVITIES

	2014 £	2013 £
Net incoming resources before revaluations	93,521	(103,704)
Returns on investments and servicing of finance	(5,835)	(10,993)
Net assets transferred on conversion	(426,852)	-
Depreciation of tangible fixed assets	546,429	501,823
Capital grants from DfE and other capital income	(309,232)	(293,989)
Decrease/(increase) in stocks	1,759	(3,623)
Increase in debtors	(7,565)	(41,633)
Increase/(decrease) in creditors	149,066	(143,075)
Defined benefit pension scheme adjustments	79,000	43,000
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	<u>120,291</u>	<u>(52,194)</u>

22. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2014 £	2013 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	5,835	10,993
	<u>5,835</u>	<u>10,993</u>
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(432,460)	(324,384)
Capital grants from DfE	299,232	293,989
Capital funding received from sponsors and others	10,000	-
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT	<u>(123,228)</u>	<u>(30,395)</u>

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

23. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2013 £	Cash flow £	Other non-cash changes £	31 August 2014 £
Cash at bank and in hand:	870,308	26,904	-	897,212
NET FUNDS	870,308	26,904	-	897,212

24. MEMBERS' LIABILITY

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

25. CONVERSION TO AN ACADEMY TRUST

On 1 January 2014 Landulph Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Saltash Multi Academy Regional Trust from Cornwall Council for £NIL consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of financial activities as voluntary income.

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Leasehold land and buildings	-	-	426,846	426,846
Devolved formula capital	-	-	24,006	24,006
LGPS pension surplus/(deficit)	-	(45,000)	-	(45,000)
Net assets/(liabilities)	-	(45,000)	450,852	405,852

The above net assets/(liabilities) include £24,006 that were transferred as cash.

26. CAPITAL COMMITMENTS

At 31 August 2014 the academy had capital commitments as follows:

	2014 £	2013 £
Contracted for but not provided in these financial statements	-	361,593

27. PENSION COMMITMENTS

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

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 August 2013.

Contributions amounting to £97,839 were payable to the scheme at 31 August 2014 (2013: 88,742) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

The Teachers' Pensions Regulations require an annual account to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the account has been credited with a real rate of return, which is equivalent to assuming that the balance in the account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

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 for service to the effective date of £191,500 million, and notional assets of £176,600 million, giving a notional past service deficit of £14,900 million; and
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations.

The new employer contribution rate is applicable from 1 April 2015 and will be implemented for the TPS from September 2015.

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

Teachers' Pension Scheme Changes

Lord Hutton made recommendations in 2011 about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation with trade unions and other representative bodies. In March 2012 the Department for Education published proposals for the design for a reformed TPS.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

27. PENSION COMMITMENTS (continued)

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Pension benefits built up before 1 April 2015 will be fully protected.

In addition, the proposed final agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall up to three and a half years outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases have been phased in from April 2012 on a 40:80:100% basis.

The Department for Education has continued to work closely with trade unions and other representatives bodies to develop the reformatted Teachers' Pension Scheme and regulations giving effect to it came into force on 1 April 2014. Communications are being rolled out and the reformatted scheme will commence on 1 April 2015.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The academy is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the academy has taken advantage of the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined contribution scheme. The academy has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £249,000, of which employer's contributions totalled £189,000 and employees' contributions totalled £60,000. The agreed contribution rates for future years are 19.4% for employers and 5.5 to 7.5% for employees.

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

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Surplus in the scheme		-		-

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

27. PENSION COMMITMENTS (continued)

The amounts recognised in the Balance sheet are as follows:

	2014 £	2013 £
Present value of funded obligations	(3,866,000)	(2,707,000)
Fair value of scheme assets	2,490,000	2,106,000
	<hr/>	<hr/>
Net liability	(1,376,000)	(601,000)
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The amounts recognised in the Statement of financial activities are as follows:

	2014 £	2013 £
Current service cost	(268,000)	(218,000)
Interest on obligation	(136,000)	(99,000)
Expected return on scheme assets	128,000	85,000
	<hr/>	<hr/>
Total	(276,000)	(232,000)
	<hr/> <hr/>	<hr/> <hr/>

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

	2014 £	2013 £
Opening defined benefit obligation	2,707,000	2,271,000
Current service cost	268,000	218,000
Interest cost	136,000	99,000
Contributions by scheme participants	68,000	60,000
Actuarial Losses	583,000	59,000
Benefits paid	(36,000)	-
Liability transferred on conversion	140,000	-
	<hr/>	<hr/>
Closing defined benefit obligation	3,866,000	2,707,000
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**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

27. PENSION COMMITMENTS (continued)

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

	2014	2013
	£	£
Opening fair value of scheme assets	2,106,000	1,655,000
Expected return on assets	128,000	85,000
Actuarial gains and (losses)	(89,000)	117,000
Contributions by employer	218,000	189,000
Contributions by employees	68,000	60,000
Assets acquired in a business combination	95,000	-
Benefits paid	(36,000)	-
	2,490,000	2,106,000

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £(913,000) (2013: £(195,000)).

The academy expects to contribute £237,000 to its Defined benefit pension scheme in 2015.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2014	2013
Equities	53.00 %	63.00 %
Bonds	40.00 %	25.00 %
Property	6.00 %	5.00 %
Cash	1.00 %	7.00 %

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

	2014	2013
Discount rate for scheme liabilities	3.70 %	4.60 %
Expected return on scheme assets at 31 August	4.80 %	5.60 %
Rate of increase in salaries	4.40 %	5.10 %
Rate of increase for pensions in payment / inflation	2.60 %	2.80 %

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

	2014	2013
Retiring today		
Males	22.2 years	21.3 years
Females	24.4 years	23.4 years
Retiring in 20 years		
Males	24.4 years	23.2 years
Females	26.8 years	25.6 years

The current mortality assumptions include sufficient allowance for future improvements in mortality rates.

**SALTASH MULTI ACADEMY REGIONAL TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2014**

27. PENSION COMMITMENTS (continued)

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2014 £	2013 £
Defined benefit obligation	(3,866,000)	(2,707,000)
Scheme assets	2,490,000	2,106,000
Deficit	(1,376,000)	(601,000)
Experience adjustments on scheme liabilities	(583,000)	(59,000)
Experience adjustments on scheme assets	(89,000)	117,000

28. OPERATING LEASE COMMITMENTS

At 31 August 2014 the academy had annual commitments under non-cancellable operating leases as follows:

	2014 £	2013 £
EXPIRY DATE:		
Within 1 year	-	9,838
Between 2 and 5 years	18,967	7,954

29. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy's financial regulations and normal procurement procedures. No related party transactions took place in the period of account.