

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

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

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

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 13
Governance statement	14 - 17
Statement on regularity, propriety and compliance	18
Statement of Trustees' responsibilities	19
Independent auditors' report on the financial statements	20 - 21
Independent reporting accountant's assurance report on regularity	22 - 23
Statement of financial activities incorporating income and expenditure account	24
Balance sheet	25
Statement of cash flows	26
Notes to the financial statements	27 - 49

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

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members	K Martin K Waghorn P Whitehouse E Forde
Trustees	K Waghorn, Chair ^{1,2,3,4,5} I Bryce, Headteacher and Accounting Officer ^{1,2,3,4,5,6} B Chalkley, Vice Chair ^{1,3,4,5} T Mansell ^{1,3,5} K George ^{1,2,4,6} R Edgeler (appointed 9 December 2015) ^{1,2,5,6} D Garland (appointed 20 October 2015) ^{1,5,6} J Kitson (appointed 13 January 2016) ^{1,5,6} K Martin (resigned 20 October 2015) P Whitehouse (resigned 31 December 2015)
	1 Trust Board 2 Personnel Committee 3 Curriculum, Standards & Achievements Committee 4 Admissions Committee 5 Finance Committee 6 Audit & Compliance
Company registered number	07542166
Company name	Saltash Multi Academy Regional Trust
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, Executive Headteacher Dan Buckley, Deputy Headteacher with Primary Management Jeremy Skelton, Assistant Headteacher (SENCO) Joanne Lumbar, Chief Financial Officer
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN

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

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Advisers (continued)

Bankers

Natwest
Trehawke House
Dean Street
Liskeard
Devon
PL14 4AG

Solicitors

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

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

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2016. 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 the Saltash area. It has a pupil capacity of 1,456 and had a roll of 1,435 in the school census on 1 January 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees of Saltash Multi Academy Regional Trust (SMART) are also the directors of the charitable company for the purposes of company law. The academies are known as **saltash.net community school** and **Landulph 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 ceased to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the SMART'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 SMART, 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 SMART. 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 SMART 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 it has the necessary range of skills to contribute fully to SMART's development.

Policies and Procedures Adopted for the Induction and Training of Trustees

The Trust Board and the Executive Headteacher 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
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

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 Headteacher 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 SMART 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 Headteacher (the Accounting Officer), two Deputy Headteachers, five Assistant Headteachers, 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 Executive Headteacher is the Accounting Officer.

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 consists of Directors elected from the Governing Body of each school.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider that the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year for their role as a Trustee.

Details of Trustees' expenses and related party transactions are disclosed in the notes to the accounts.

The pay of key management personnel is reviewed annually and normally increased in accordance with average earnings as set out in the STPCD.

Connected Organisations, including Related Party Relationships

SMART 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 develop 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 as what and how learners learn.
- To use knowledge actively as a cornerstone for creativity and problem solving.
- To link learning to big issues and community action, and give learning an international dimension.
- To teach students the skills 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 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 2015/2016 included:

saltash.net community school

1. Achievement

By the end of the year our confidence in the accuracy and quality of assessment at KS3 will have improved. We will have a coherent set of progress measures that build from Primary through KS3 to new 1-9 measures and progress 8. All subject areas will have developed their new curricula tied in to our school progress tracking.

2. Quality of Teaching

By the end of the year, teachers will be more skilled at personalising the curriculum and feedback for their students, particularly those they have correctly identified as requiring a graduated response due to SEN, Literacy or underdeveloped SECRET skills. All teachers will have attempted to implement new methods and will have evaluated their impact. Examples could include the use of ICT, applying professional studies or implementing an idea acquired from the SMART day.

3. Learning Behaviours

By the end of the year more students will have been given opportunities that challenge them in terms of skills development and will have been praised for measurable improvements. This could be in any of the SECRET skills including: opportunities to improve their ability to work independently; ability to be a leader; resilience; ability to revise effectively; strength emotionally etc.

4. Leadership and Management

By the end of the year, excellence and confidence in leadership at every level at saltash.net will have increased. Leaders, including those new in post, will feel the balance of support and challenge has helped them to positively implement changes with their teams. Quality of provision will utilise triangulation of information from a range of sources including: lesson observation; learning walks; SISRA data; feedback to students; new graduated response and new progress 8 based systems of accountability.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Additional targets specific to particular teams:

- **6th Form** - By the end of the year the new leadership of our sixth form will have sustained an ethos of excellence and will have continued to have improved performance against ALPS.
- **SMART** - By the end of the year our position within the new national landscape of Multi Academy Trusts will be strong as a result of outstanding OFSTED reports, partnerships and excellent PR consistently improving our profile in the community.
- **Structural** - By the end of the year the standard of maintenance, infrastructure and environment of the school will have been improved through strategic planning, efficiencies, fund raising and bid writing.

Landulph School

1. Learning of all pupils and targeted groups.

To ensure all children are making substantial and sustained progress in English and Mathematics (target year group Year 5). Ensure that the progress for all groups of learners is above average across nearly all subjects. Fully embed the SEN Graduated response of class alert and SEN support plans to ensure that these children progress well compared to those with similar starting points.

Embed the teaching of phonics and spelling so that it is highly effective in ensuring that 100% of children make the expected sustained progress across each phase and the number of children achieving a Level 4+ in SPAG is in line with Reading, Writing and Mathematics.

100% of more able children to maintain their progress of working above age group expectations throughout all key stages.

2. Ensure the teaching, learning and assessment for all pupils is highly effective.

To ensure that teaching and learning to remain consistently highly effective building on the focussed CPD from 2014/2015. To embed the use of Bloom's Taxonomy to enhance highly effective questioning techniques that promotes deeper learning.

To invest in the appropriate resources that promote children's active learning and the encouragement of independent learning. To have confidence in tracking the progress of all groups of learners using the new assessment tools and procedures without levels. Develop the science provision in line with the expectations that have been embedded for English and mathematics.

To develop the homework provision across the school that consolidates learning and deepens the children's understanding of a variety of subjects.

To continue to develop PE with the promotion of healthy living and provide CPD to further enhance the high quality teaching and learning utilising the sports' premium funding.

3. Maintain the whole school learning culture and a shared responsibility for school improvement maximising the progress for all.

To continue to invest in the appropriate CPD for all staff to continue the learning cycle. To enhance the capacity of the Senior Leadership Team. Align our performance management process with SMART. To maintain high levels of PR to continue to increase pupil numbers. To embed the involvement of all stakeholders in school improvement. To develop and embed Landulph's Curriculum to ensure that it meets the needs of all our children and promotes the understanding of Spiritual, Moral, Social, Cultural understanding and British Values.

4. Ensure the behaviour, personal development and welfare of the children is highly positive so that Landulph's culture of a love of learning is fully embedded for all.

To develop the use of sustained pupil voice through weekly child led assemblies enhancing the skills of the school council members. To work towards and achieve the Healthy Schools Award to ensure that all children make the right lifestyle choices to promote health and wellbeing. To develop a highly effective PHSE programme focusing on pupil wellbeing and children's Spiritual, Moral, Social and Cultural Development. To develop the understanding of E-Safety across the school for all stakeholders

5. Ensure the provision of Early Years remains highly effective and meets the needs of all children.

To embed the new Early Years baseline assessment in order to develop a clear awareness of children's progress in relation to their starting points. To continue to develop all staff's knowledge and daily practice of assessment methods based on high quality observations. Ensure the children are provided with a highly stimulating outdoor area and environment. To continue to develop successful strategies in order to engage parents and carers in their children's learning in school and at home.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

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 Trust's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievements and Performance

The school year 2015-16 will, undoubtedly, be a memorable one for all sorts of reasons, not least the focus on the expanding MAT and the appointment of a new headteacher for saltash.net. Alongside these significant strategic developments, both schools in the existing MAT have had to contend with new measures of accountability at Key Stage 2 and Key Stage 4.

In terms of the existing Multi Academy Trust, the partnership between Landulph primary and saltash.net continues to go from strength to strength, with both schools benefitting significantly from the sharing of good practice and enrichment opportunities; a good example of this was the excellent visit by students and staff from both schools to the national BETT show in London during January 2016. Judith John, acting headteacher at Landulph primary school, has covered for Esther Best's maternity leave extremely well, ensuring that the school has continued to flourish. Both schools in SMART experienced tragic events throughout 2015-16 and the outstanding community spirit of SMART was very much needed to help and support during some exceptionally difficult times.

In February, the third highly successful SMART training day was held with the guest keynote speaker being Rebecca Clark who subsequently went on to become the Regional Schools' Commissioner for the South West. She spoke passionately about the benefits of Multi Academy Trusts and was unequivocal about the government's drive and determination to expand and develop such partnerships.

From October 2015 through the rest of the school year, the MAT agenda was high on the list of strategic priorities. After numerous meetings, and consultations with legal representatives and the DfE, an expanded SMART began to take shape, comprising saltash.net, Liskeard School and Community College, Looe Community Academy, Landulph Primary, Trewidland Primary and Dobwalls Primary in Wave 1 and Bodmin Community College expected to join in Wave 2.

There is, inevitably, a huge amount of work which is having to take place to 'shape' the expanded MAT, but the strand meetings scheduled throughout the summer term brought colleagues together to think and plan strategically in a manner that has not before been experienced across South East Cornwall. To ensure that the existing MAT is not adversely affected by the development work, deputy head at saltash.net, Dan Buckley, has been appointed as Project Manager for three days a week, with his responsibilities 'back filled' by other Senior Leaders and funded collectively by all of the schools signed up to Waves 1 and 2.

At the heart of SMART's vision is an unrelenting focus on securing the best possible teaching and learning for all groups of learners, so recruitment of the best teaching and support staff has also remained a high priority. Despite a national recruitment 'crisis', both saltash.net and Landulph have been able to appoint appropriately qualified and experienced staff to vacancies advertised, including in the core subjects of English, Maths and Science.

One appointment, which out of necessity took up a considerable amount of time, was that of the new headteacher at saltash.net following Mrs Bryce's announcement that she would be stepping down from the post at Christmas 2016, a date which will see the completion of fourteen years of headship. The Trust Board undertook a rigorous appointment process and, by the end, were delighted to be able to appoint Miss Kate Littledyke to the role. Kate is currently Assistant Headteacher with responsibility for teaching and learning, having previously been a deputy headteacher for five years at a school in Reading. Miss Littledyke will take over the headteacher role on the 1st January 2017.

A very strong reflection of the excellence of teaching within SMART was the news that saltash.net had once again been successful in the National Teaching Awards, with Alan Hawthorne becoming the regional winner for the South West in the Outstanding use of new technology category. This is a remarkable outcome as Scott

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Wieprecht (Head of Year and teacher of Maths at saltash.net) was the regional winner in the same category just two years previously. Alan Hawthorne's recommendation for the National Teaching Award came from the School Council, especially the 6th Form students who have the greatest respect for Alan's delivery of A Level Maths in particular and it is excellent to be able to report that as a result of this inspirational teaching, three Year 13 students have now progressed to Maths with Education university courses.

Outstanding teaching and learning post 16 is definitely leading to consistently good outcomes for our students, enabling them to progress, in the main, to their first choice of university, including many to prestigious Russell Group universities. Our Year 13 A Level cohort, whilst not as strong, overall, as last year's, still achieved a very good set of results in August 2016 and it is particularly pleasing to be able to report that the Average Point Score per student rose from 202 in 2015 to 210 in 2016. In terms of Value Added, the ALPS score this year was a 5 ('Good') but the three year average ALPS score is a 4 placing our post 16 outcomes in the 'Very Good' category. The percentage of A*, A + B grades was 46%, the percentage of A*-C was 69% and the overall pass rate was 98%.

At GCSE, schools are now judged by a new set of accountability measures, the most important of which being the Progress 8 measure. We were extremely pleased that in this first year of Progress 8, saltash.net Year 11 students achieved a positive outcome of 0.13, demonstrating that saltash.net is achieving more than the national expected levels of progress given the students' starting points. We are especially proud of this achievement as throughout Key Stage 4, a significant number of students joined our school, some at the start of Year 11, and some with massively disrupted prior education. Although they did not all achieve the Basics measure (which currently stands at 57%) they did gain creditable sets of qualifications and have been able to progress to apprenticeships and training schemes with good future prospects.

Ultimately, one of the major Key Performance Indicators is the number of students who want to come to the schools within our MAT. It would be true to say that saltash.net is well and truly bursting at the seams! On a PAN of 230, we ended up with 243 in Year 7 during 2015-16 and have admitted a similar number into Year 7 at the start of 2016-17. For Post 16, numbers are remaining stable between 225-230 overall.

Landulph

Progress and Attainment Summary 2016

< is less than expected, > is greater than expected.

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Phonics/SPAG: Progress	100%	-	-	-	-	-
Phonics/SPAG: Attainment	100%	-	-	-	-	47% Less NARE 53% NARE (70% National)
Reading Progress	0%< 100%	0%< 100%	0%< 100%	0%< 100%	0%< 100%	+0.2 (-3.0 to 3.4)
Reading Attainment	12% > 29%< 29%	22% > 22%< 44%	0% > 0%< 63%	0% > 20%< 40%	0% > 42%< 42%	47% Less than NARE 53% NARE (66% National)
Writing Progress	42%> 0%< 100%	33%> 12%< 88%	37%> 0%< 100%	20%> 0%< 100%	17%> 0%< 100%	1.8 (-1.4 to 5.0)
Writing Attainment	12%> 29%< 42%	0%> 33%< 56%	24%> 13%< 50%	0%> 20%< 60%	0%> 50%< 33%	20% Less than NARE 80% NARE (70% National)
Maths Progress	29%> 0%< 100%	11%> 0%< 100%	37%> 0%< 100%	40%> 0%< 100%	17%> 0%< 100%	-3.8 (-6.5 to -1.1)
Maths Attainment	0%> 29%< 42%	11%> 11%< 67%	0%> 13%< 38%	0%> 20%< 20%	0%> 50%< 33%	67% Less than NARE 33% NARE (70% National)
	29%>	22%>	50%>	60%>	17%>	

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

KS1 SATs 2016	NARE	National
Reading	77%	81%
Writing	66%	70%
Mathematics	100%	80%

Notes

- The school has grown by 40% in the past three years and 50% of the children who have joined are operating below NARE at point of joining. The school has developed a reputation that such children thrive when they have not in previous schools. For example 5 of the 11 in the outgoing year 6 joined since KS1 SATS with 2 joining during year 6 and 3 during year 5. Progress figures are for those at school between the two measures
- 2 of the children in outgoing year 6 had SEN and one of these was not entered for the tests.
- The non-SEN, non-transient children performed above NARE in the KS2 SATS and made good progress.
- 100% More Able exceeded NARE
- 100% EAL exceeded NARE

Mathematics

- Even within the confidence intervals, mathematics has done poorly at KS2. Maths has been an issue for some time and the foundations for children having come through previous poor provision has been a challenge to address. The KS1 SATS success demonstrates that considerable progress with this is now being made here
- To exceed the national figure we would have needed 11 of the children to achieve NARE when in fact only 5 children did. For these 6 children who didn't:
- Intervention was in place for 5 (36%) of these who were only just into 2c in their KS1 SATS. The movement in the grade boundaries caught all of these out and none converted. One of these children (7%) missed it by 1 mark. He had lost three for writing his correct answers in the wrong location on the test. A number of the children would have benefitted from more regular practice in the tests
- Two children (14%) were SEN and not expected to achieve NARE. One of these was not entered for the tests
- Five children (35%) joined part way through Year 5 or year 6. Progress for these children was good during their time at the school. All but one of them were low attaining at entry.

Reading and SPAG at KS2

- The changes to the cohort that contributed to the Mathematics result were better addressed in these two areas which provided a positive progress measure despite the final percentage achievement being considerably below. This indicates the cohort starting point which was very low, particularly the 35% of the cohort who joined late.
- The excellent phonics practice is being standardised across other year groups and progress is being made here. Reading for understanding is taking longer to develop but is also progressing. Spelling has been a focus and will remain so.

Successes

- Regional recognition for the outstanding work at EYFS: 79% achieved a good level of progress.
- 100% achievement in phonics
- Gold Sports Award for the third year running and exceptional local successes
- Expected progress made in all areas with the exception of one child in writing in year 2 due to concerns over fine motor skills and concentration.

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 carried forward GAG of £177,456 and Landulph School carried forward GAG of £13,777.

As funding is based on student numbers this is also a key performance indicator. For saltash.net community school, student numbers for 2016 were 1,365, an increase of 30 over 2015. With the current years 7 and 8 being oversubscribed.

For Landulph School student numbers for 2016 were 68, an increase of 9 over 2015. It is anticipated that student numbers will continue to rise due to student growth in the area.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of SMART'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 2016 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

SMART 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 SMART's accounting policies.

During the year ended 31 August 2016, total expenditure of £7,569,869 was covered by recurrent grant funding from the DfE, together with other incoming resources of £7,723,860. During the year income exceeded expenditure by £153,991. This excludes the restricted fixed asset funds.

At 31 August 2016 the net book value of fixed assets was £10,378,054 and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the students within SMART.

The Local Government Pension Scheme as at 31 August 2016 held a deficit of £3,121,000, the breakdown of which is detailed within note 22 to the Financial Statements.

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

Reserves Policy

Overall a normal operating reserve of an average 4-5% of overall income per annum should be held by SMART and comprise both Restricted and Unrestricted funds. Funds for specific projects should not preclude any carried forward of one off funds. In the year 2015/16 the total free reserves (comprising unrestricted and GAG) for SMART was 5.6% of overall income. This will be reviewed in the New Year due to the expansion plans.

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

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

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that SMART is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from SMART's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of SMART.

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

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Investment Policy

SMART 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 various SMART accounts.

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

The Finance Committee is aware of the risks of having all SMART's 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 SMART 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	One person has complete control and access	2	4	Treat	Ongoing	Ongoing	Implement appropriate system of checks and delegation. Adjust staffing and courses
Finance	Student Recruitment	Year 7 and/or Year 12 entry below planned numbers	2	5	Treat	Annual	Annual	
Finance	Local Government Pension Scheme	Pooling risk	5	2	Tolerate	Ongoing	Ongoing	Monitor in conjunction with Cornwall Pensions representatives.
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 dependant on high staff ratios.	Annual	Annual	

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

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 2016/17.

1. Achievement

By the end of the year we will have raised the achievement of SEND students so they are at least in line with the level of progress of non SEND students. We will have a new assessment framework to track student progress from primary through KS3 to the new GCSEs. All subject areas will develop their curricula and assessment to ensure compatibility with the new assessment grades.

2. Quality of Teaching

By the end of the year, we will have made the curriculum more personalised with improved feedback for students, particularly those they have correctly identified as requiring a graduated response due to SEND, Literacy or underdeveloped SECRET skills. We will have attempted new ideas for improving educational outcomes and will have evaluated their impact. Examples could include the use of ICT, applying professional studies or implementing an idea acquired from the SMART day.

3. Learning Behaviours

By the end of the year we will have provided more students, including the more able, with extension opportunities that challenge them in terms of skills development. There will be more commendations and specific praise given for improvements in any of the SECRET skills including: improving how well they can work independently; show leadership; show resilience; revise effectively; show improved emotionally strength etc.

4. Leadership and Management

By the end of the year, the quality of leadership and of management will have improved further. In terms of management, middle leaders will focus improvement work more by triangulation of information from a range of sources including: lesson observation; learning walks; SISRA data; team discussion and student feedback. Our capacity for leadership at every level is ever more critical as our MAT increases. There will be more examples of staff taking initiative, communicating a vision, translating vision into reality, inspiring others, making tough decisions, motivating others, empowering others and developing others.

Additional targets specific to particular teams:

- **6th Form** - By the end of the year we will have continued to improve performance against ALPS.
- **SMART** - By the end of the year we will have established Wave 1 expansion and will have navigated this process to ensure the launch of a secure South East Cornwall Multi Academy Regional Trust.
- **Structural** - By the end of the year the standard of maintenance, infrastructure and environment of the school will have been improved through strategic planning, efficiencies, fund raising and bid writing.

The following projects have been identified as the key areas for development at Landulph School in the coming year 2016/17:

1. Learning of all pupils and targeted groups.

To ensure all children are making substantial and sustained progress in English and Mathematics (target year group Year 6). To develop effective and timely Maths intervention to ensure children achieve their expectation under the new system. Strengthen the support given to SEN children with a focus on ASD. To develop the school as a Thrive school. CPD for reading and the development of the library to improve the standard of reading. 100% of more able children to maintain their progress of working above age group expectations throughout all key stages.

2. Ensure the teaching, learning and assessment for all pupils is highly effective.

Teaching and learning to remain consistently highly effective building on the focussed CPD from 2015/2016. Invest in appropriate CPD to ensure a shared responsibility. To develop the use of teachers providing focused interventions as a learning tool. Review marking and feedback, considering efficient and effective methods and teacher workload. Provide PE training to develop the new PE coordinator. Provide CPD for the Humanities subjects for TAs to develop PPA lessons. Consider the impact of each learning environment and adapt to provide the best quality education.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

3. Maintain the whole school learning culture and a shared responsibility for school improvement maximising the progress for all.

To develop staff well-being through creating channels of communication. To ensure a team approach to maximising progress. To align our performance management process with SMART. To develop meaningful partnerships with MAT primary schools, looking for opportunities to share good practice.

4. Ensure the behaviour, personal development and welfare of the children is highly positive so that Landulph's culture of a love of learning is fully embedded for all.

To develop the understanding of E-Safety across the school for all stakeholders. Create an inclusive environment where all staff are responsible for all children. Design a staff handbook together to maintain consistency. Enhance the Home school learning agreement. Create a new, updated SRE programme throughout the school.

5. Ensure the provision of Early Years remains highly effective and meets the needs of all children.

Use county baseline assessment. To develop a highly stimulating outdoor area and environment, with a wide variety of different areas for different activities. To introduce Online Learning Journal. Deepen parental input in their child's learning.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

SMART 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 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 Statement of Trustees' responsibilities. The Board of Trustees has formally met 11 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
K Waghorn, Chair	10	11
I Bryce, Headteacher and Accounting Officer	11	11
B Chalkley, Vice Chair	9	11
T Mansell	7	11
K George	11	11
R Edgeler	5	9
D Garland	10	10
J Kitson	4	6
K Martin	0	1
P Whitehouse	3	3

Governance review

Saltash Multi Academy Regional Trust was formed in January 2014 and a review asking all governors to comment on all the aspects of SMART was carried out in the summer term of 2015. The main findings were very positive: Particularly the strong collaboration between the two schools that still allows each to feel pride about their own institution; the formation of a new committee structure has encouraged better communication between the schools and smaller more focussed committees have the benefit of more efficient use of time; the Trust Board is operating at a more strategic level and its size and composition offers a forum for informed debate.

Two new directors have joined the Trust Board following the resignation of two long standing directors. They were recruited specifically to the roles that were being vacated and also to further enhance the breadth of skills present on the Trust Board. SMART is in the process of expanding and as part of the due diligence process a skills review of the governors of the schools that are proposing to join is being completed. As this expansion is expected to roll forwards in different phases the Trust Board will be regularly reviewing its composition, size and governance procedures as new schools join.

Governors have attended various training courses on school budgets, evaluating data, Special Educational Needs and new governor induction. Specialist Staff at the schools have provided these along with external support.

An important role for governors is ensuring the safety and well-being of the students and there are two nominated Governors for Safeguarding who report regularly to the Local Governing Boards about any safeguarding matters. The use of the Pupil Premium Grant is monitored and the impact this has on the outcomes of 'vulnerable groups' of students forms a regular part of the schools' internal review processes.

The **Finance Committee** is a 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

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

GOVERNANCE STATEMENT (continued)

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	5	5
S Pearson (not Trustee)	5	5
T Mansell	2	5
D Garland, Chair	5	5
K Waghorn	4	5
P Whitehouse	0	1
B Chalkley	4	5
J Kitson	1	1
G Taylor (not Trustee)	4	5
A Myers (not Trustee)	2	4
K Rich (not Trustee)	4	5
R Edgeler	2	4

The **Audit Committee** is a 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 Multi Academy Trust will achieve its objectives whilst operating in accordance with any statutory requirements. During the year K George, S Candy and P Whitehouse left the committee and J Kitson, A Martin and R Edgeler joined.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
K George, Chair	2	2
S Candy (not Trustee)	0	0
D Yates (not Trustee)	2	3
S Lee (not Trustee)	0	3
P Whitehouse	1	1
R Edgeler	2	2
I Bryce, Headteacher and Accounting Officer	3	3
J Kitson, new Chair	1	1
A Martin (not Trustee)	1	3

REVIEW OF VALUE FOR MONEY

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

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

Improving Educational Results

Ensuring that resources are directed to where they are most needed and are most effective in meeting educational requirements. The academy has:

- Engaged with other schools within the local area to provide cost effective, quality vocational study opportunities to its students.
- Monitored performance of its staff through its Quality Assurance cycle and has deployed staff efficiently within curriculum departments.
- Identified the differing needs of students and has ensured the relevant support is provided to them by

GOVERNANCE STATEMENT (continued)

focusing both Pupil Premium and Sports funding.

The effectiveness of these strategies can be seen in the excellent SATS, GCSE and A level results of the academy's students in the summer of 2015. Evidence of the other targeted groups is detailed within the Pupil Premium report published on the academy's websites.

Financial Governance and Oversight

SMART's governance arrangements include regular monitoring by the Governing board and its committees, including the Finance Committee and Audit Committee. They receive financial reports on a regular basis during the year and agree and ratify the budget on an annual basis.

Better Purchasing

Governors, school managers and staff follow procedures for assessing need and obtaining goods and services which provide 'best value' in terms of suitability, efficiency, time and cost.

Examples of steps taken to ensure value for money when purchasing include:

- Viewing alternative purchasing options online in order to find the best value
- Catering discounts on food and equipment obtained through a buying consortium
- A tender process for major purchases and contracts.

Better Income Generation

Examples of steps taken to maximise income include:

- The letting of school premises and All Weather Pitch to local community groups
- Bid writing and applications for grant funding for specific projects.

Reviewing Controls and Managing Risks

Regular budget reports and expenditure against that budget have been reviewed by the Finance Committee as well as by budget holders in order to ensure that spending is within budget. Actions taken to manage risk include the purchase of an appropriate level of insurance cover and seeking professional advice from Human Resources, Accountants and Legal Services when required.

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 2015 to 31 August 2016 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 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The 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:

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

GOVERNANCE STATEMENT (continued)

- 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 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.

In particular the checks carried out in the current period included:

- Testing of payroll systems
- Testing of accounting systems
- Testing of purchase systems
- Testing of budgets and financial monitoring
- Testing of strategic and operational review
- Testing of Accounting Officer checks and further regularity checks

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.

During the current period Bishop Fleming LLP delivered their schedule of work as planned. There were no material control issues arising as a result of their work.

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Executive 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 16 November 2016 and signed on their 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 for Education. 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 2015.

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: 16 November 2016

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

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016**

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 Strategic report, the Trustees' 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 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) 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 the 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:

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

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE BOARD OF TRUSTEES
OF SALTASH MULTI ACADEMY REGIONAL TRUST**

We have audited the financial statements of Saltash Multi Academy Regional Trust for the year ended 31 August 2016 which comprise the Statement of financial activities, the Balance sheet, the Statement of cash flows and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

This report is made solely to the Academy Trust'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 Trust'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 Trust and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 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 ON THE FINANCIAL STATEMENTS TO THE BOARD OF TRUSTEES
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 2015 to 2016, 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 2015 to 31 August 2016 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 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 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 2015 to 2016 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 Trust'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 2015 to 31 August 2016 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
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	1,241	27,969	32,239	61,449	93,214
Charitable activities	3	250,491	7,418,653	-	7,669,144	7,477,060
Other trading activities	4	23,719	-	-	23,719	22,437
Investments	5	1,787	-	-	1,787	2,185
TOTAL INCOME		277,238	7,446,622	32,239	7,756,099	7,594,896
EXPENDITURE ON:						
Raising funds		1,403	-	-	1,403	1,144
Charitable activities		214,630	7,319,994	550,871	8,085,495	8,333,018
TOTAL EXPENDITURE	6	216,033	7,319,994	550,871	8,086,898	8,334,162
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	18	61,205	126,628	(518,632)	(330,799)	(739,266)
		-	(33,842)	33,842	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES						
		61,205	92,786	(484,790)	(330,799)	(739,266)
Actuarial losses on defined benefit pension schemes	22	-	(1,422,000)	-	(1,422,000)	(51,000)
NET MOVEMENT IN FUNDS		61,205	(1,329,214)	(484,790)	(1,752,799)	(790,266)
RECONCILIATION OF FUNDS:						
Total funds brought forward		185,358	(1,437,505)	10,932,535	9,680,388	10,470,654
TOTAL FUNDS CARRIED FORWARD		246,563	(2,766,719)	10,447,745	7,927,589	9,680,388

The notes on pages 27 to 49 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 2016**

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	14		10,378,054		10,861,404
CURRENT ASSETS					
Stocks		7,454		9,177	
Debtors	15	184,293		229,564	
Cash at bank and in hand		961,804		744,833	
			<u>1,153,551</u>	<u>983,574</u>	
CREDITORS: amounts falling due within one year	16	(483,016)		(603,590)	
NET CURRENT ASSETS			<u>670,535</u>		<u>379,984</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>11,048,589</u>		<u>11,241,388</u>
Defined benefit pension scheme liability	22		<u>(3,121,000)</u>		<u>(1,561,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>7,927,589</u></u>		<u><u>9,680,388</u></u>
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	18	354,281		123,495	
Fixed asset funds	18	10,447,745		10,932,535	
			<u>10,802,026</u>	<u>11,056,030</u>	
Restricted funds excluding pension liability					
Pension reserve		(3,121,000)		(1,561,000)	
			<u>7,681,026</u>	<u>9,495,030</u>	
Total restricted funds					
Unrestricted funds	18		<u>246,563</u>		<u>185,358</u>
TOTAL FUNDS			<u><u>7,927,589</u></u>		<u><u>9,680,388</u></u>

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

K Waghorn
Chair of Trustees

The notes on pages 27 to 49 form part of these financial statements.

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

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016**

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by/(used in) operating activities	20	<u>248,887</u>	<u>(68,401)</u>
Cash flows from investing activities:			
Interest received		1,787	2,185
Proceeds from the sale of tangible fixed assets		1,580	4,220
Purchase of tangible fixed assets		(67,522)	(132,495)
Capital grants from DfE/EFA		32,239	42,112
Net cash used in investing activities		<u>(31,916)</u>	<u>(83,978)</u>
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		<u>744,833</u>	<u>897,212</u>
Cash and cash equivalents carried forward	21	<u><u>961,804</u></u>	<u><u>744,833</u></u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

Saltash Multi Academy Regional Trust constitutes a public benefit entity as defined by FRS 102.

In accordance with the Academies Accounts Direction 2015 to 2016 capital grants are now recognised in Income from Donations and Capital Grants instead of Charitable Activities. Capital grants recognised in 2015 have been reclassified.

First time adoption of FRS 102

These financial statements are the first financial statements of Saltash Multi Academy Regional Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Saltash Multi Academy Regional Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 28.

1.2 GOING CONCERN

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.3 FUND ACCOUNTING

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

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

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

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

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

1.4 INCOME

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

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.5 EXPENDITURE

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

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

Charitable Activities are costs incurred on the Academy Trust's educational operations, including support costs and costs relating to the governance of the Academy Trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the Statement of financial activities and carried forward in the Balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the Statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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 carried at cost, net of depreciation and any provision for impairment. 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

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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

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. Cost is based on the cost of purchases on a first in first out basis

1.9 TAXATION

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

1.10 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.11 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account and cash on deposit that has a notice period of less than 30 days.

1.12 LIABILITIES AND PROVISIONS

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

1.13 FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial instruments includes cash at bank, trade debtors, accrued income from financial instruments (comprising dividends and interest due from investments), trade creditors and accrued expenditure.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.14 PENSIONS

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Government Pension Scheme ("LGPS"). These are defined benefit schemes and the assets are held separately from those of the Academy Trust.

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

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

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

1.15 AGENCY ARRANGEMENTS

The Academy Trust acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy Trust does not have control over the charitable application of the funds. The funds received, paid and any balances held at period end are disclosed in note 25.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

1. ACCOUNTING POLICIES (continued)

1.16 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

The Academy Trust trust makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy Trust to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Balance Sheet.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	1,241	27,969	-	29,210	51,102
Capital Grants	-	-	32,239	32,239	42,112
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total donations and capital grants	1,241	27,969	32,239	61,449	93,214
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

In 2015, of the total income from donations and capital grants, £5,753 was unrestricted, £45,349 was restricted and £42,112 was restricted fixed assets.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant	-	6,690,107	6,690,107	6,585,195
Other DfE/EFA grants	-	424,379	424,379	382,803
	<u>-</u>	<u>7,114,486</u>	<u>7,114,486</u>	<u>6,967,998</u>
Other Government grants				
High Needs	-	253,937	253,937	241,557
Local authority grants	-	-	-	9,756
SECLP	-	-	-	4,720
180 Project	-	-	-	11,500
British Council	-	-	-	2,972
Big Lottery Grant	-	9,763	9,763	-
	<u>-</u>	<u>263,700</u>	<u>263,700</u>	<u>270,505</u>
Other funding				
Internal catering income	232,908	-	232,908	211,691
Income for hosting trainee teachers	2,883	6,229	9,112	6,457
Other curriculum income	14,700	34,238	48,938	12,909
Staff training project	-	-	-	7,500
	<u>250,491</u>	<u>40,467</u>	<u>290,958</u>	<u>238,557</u>
	<u>250,491</u>	<u>7,418,653</u>	<u>7,669,144</u>	<u>7,477,060</u>

In 2015, of the total income from charitable activities, £221,202 was unrestricted and £7,255,858 was restricted.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings	21,555	-	21,555	20,675
Breakfast Club fees received	1,403	-	1,403	1,144
Other	761	-	761	618
	<u>23,719</u>	<u>-</u>	<u>23,719</u>	<u>22,437</u>

In 2015, the total income from other trading activities of £22,437 was unrestricted.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest	1,787	-	1,787	2,185

In 2015, the total investment income of £2,185 was unrestricted.

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on raising funds	-	-	1,403	1,403	1,144
Academy's educational operations:					
Direct costs	5,094,357	367,033	821,323	6,282,713	6,592,904
Support costs	942,308	296,004	564,470	1,802,782	1,710,114
	<u>6,036,665</u>	<u>663,037</u>	<u>1,387,196</u>	<u>8,086,898</u>	<u>8,304,162</u>

In 2015, the total expenditure on raising funds of £1,144 was from unrestricted funds. In 2015, of the total expenditure on charitable activities, £229,007 was from unrestricted funds, £7,531,238 was from restricted funds and £542,773 was in relation to the restricted fixed asset fund.

7. DIRECT COSTS

	Total 2016 £	Total 2015 £
Pension finance costs	40,053	40,000
Educational supplies	387,781	392,840
Examination fees	127,544	137,420
Staff development	25,473	23,630
Other costs	136,592	138,996
Supply teachers	62,585	48,150
Wages and salaries	4,027,549	4,422,276
National insurance	343,065	319,810
Pension cost	661,158	646,330
Depreciation	470,913	471,172
	<u>6,282,713</u>	<u>6,640,624</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

8. SUPPORT COSTS

	Total 2016 £	Total 2015 £
Pension finance costs	19,947	12,000
Other costs	30,115	50,620
Recruitment and support	22,222	17,781
Maintenance of premises and equipment	82,775	75,417
Cleaning	25,900	18,017
Rent and rates	40,942	45,526
Energy costs	78,742	89,343
Insurance	46,635	41,969
Security and transport	32,240	32,186
Catering	182,609	172,596
Technology costs	71,219	90,242
Office overheads	25,500	22,068
Legal and professional	77,970	63,138
Bank interest and charges	6,313	5,407
(Profit) / Loss on disposal of fixed assets	(1,580)	(4,220)
Governance	38,967	42,426
Wages and salaries	680,552	652,595
National insurance	39,052	32,560
Pension cost	222,704	161,122
Depreciation	79,958	71,601
	<u>1,802,782</u>	<u>1,692,394</u>

9. NET INCOME/ (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	550,872	542,774
Auditors' remuneration - audit	7,200	7,350
Auditors' remuneration - other services	4,050	3,985
Operating lease rentals	21,227	24,561
Auditors' remuneration - other services (prior year)	-	980
	<u>583,349</u>	<u>583,650</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

10. STAFF COSTS

The below does not include Breakfast Club staff costs of £1,403 (2015: £1,144) as shown in Note 6.

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	4,708,101	5,074,871
Social security costs	382,117	352,370
Operating costs of defined benefit pension schemes	883,862	807,452
	5,974,080	6,234,693
Supply teacher costs	62,585	48,150
Staff restructuring costs	-	148,422
	6,036,665	6,431,265

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

	2016	2015
	No.	No.
Teachers	82	89
Administration and support	100	92
Management	10	10
	192	191

Average headcount expressed as a full time equivalent:

	2016	2015
	No.	No.
Teachers	77	83
Administration and support	75	76
Management	10	10
	162	169

The number of employees whose employee benefits (excluding employer's National Insurance contributions and employer pension costs) exceeded £60,000 was:

	2016	2015
	No.	No.
In the band £60,001 - £70,000	2	3
In the band £90,001 - £100,000	0	1
In the band £100,001 - £110,000	1	0

The key management personnel of the Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy Trust was £319,639 (2015: £303,066).

As staff Trustees are not remunerated in respect of their role as a Trustee, where staff Trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 12 has not been included in the total benefits received by key management personnel above.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

11. CENTRAL SERVICES

The Academy Trust 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 Trust charges for these services on the following basis:

A 5% top slice of the Academy's annual funding is retained.

The actual amounts charged during the year were as follows:

	2016	2015
	£	£
Landulph Primary School	14,192	13,675

12. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: I Bryce: remuneration between one hundred thousand and one hundred and five thousand pounds (2015: between ninety-five thousand and one hundred thousand pounds), employer's pension contributions between fifteen thousand and twenty thousand pounds (2015: between ten thousand and fifteen thousand pounds).

During the year retirement benefits were accruing to 4 Trustees (2015: 4) in respect of defined benefit pension schemes.

During the year, no Trustees received any benefits in kind (2015: £NIL).

During the year ended 31 August 2016, expenses totalling £2,334 (2015: £1,302) were reimbursed to 6 Trustees (2015: 4).

Other related party transactions involving the trustees are set out in note 24.

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2016 was £296 (2015: £964).

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

14. TANGIBLE FIXED ASSETS

	Long term leasehold property £	Fixtures, fittings and equipment £	Computer equipment £	Total £
COST				
At 1 September 2015	12,386,333	172,779	502,187	13,061,299
Additions	7,990	1,650	57,882	67,522
Disposals	-	-	(4,589)	(4,589)
At 31 August 2016	<u>12,394,323</u>	<u>174,429</u>	<u>555,480</u>	<u>13,124,232</u>
DEPRECIATION				
At 1 September 2015	1,757,709	92,843	349,343	2,199,895
Charge for the year	429,353	34,842	86,677	550,872
On disposals	-	-	(4,589)	(4,589)
At 31 August 2016	<u>2,187,062</u>	<u>127,685</u>	<u>431,431</u>	<u>2,746,178</u>
NET BOOK VALUE				
At 31 August 2016	<u>10,207,261</u>	<u>46,744</u>	<u>124,049</u>	<u>10,378,054</u>
At 31 August 2015	<u>10,628,624</u>	<u>79,936</u>	<u>152,844</u>	<u>10,861,404</u>

15. DEBTORS

	2016 £	2015 £
Trade debtors	11,557	3,745
VAT recoverable	29,955	42,059
Prepayments and accrued income	142,781	183,760
	<u>184,293</u>	<u>229,564</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	157,214	104,108
Other taxation and social security	215,524	202,290
Other creditors	35,025	42,939
Accruals and deferred income	75,253	254,253
	<u>483,016</u>	<u>603,590</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

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

	2016	2015
	£	£
DEFERRED INCOME		
Deferred income at 1 September 2015	71,402	81,104
Resources deferred during the year	27,294	71,402
Amounts released from previous years	(71,402)	(81,104)
	<u>27,294</u>	<u>71,402</u>
Deferred income at 31 August 2016	<u>27,294</u>	<u>71,402</u>

At the balance sheet date the Academy was holding funds received in respect of rates relief covering the period September 2016 to March 2017 together with income relating to the autumn and spring term Universal Infant Free School Meals funding and parent pay student income for the 2016/17 academic year.

17. FINANCIAL INSTRUMENTS

	2016	2015
	£	£
Financial assets measured at amortised cost	1,044,314	878,802
	<u>1,044,314</u>	<u>878,802</u>
Financial liabilities measured at amortised cost	205,173	286,959
	<u>205,173</u>	<u>286,959</u>

Financial assets measured at amortised cost comprise cash at bank, trade debtors and accrued income.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

18. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General Funds	185,358	277,238	(216,033)	-	-	246,563
RESTRICTED FUNDS						
	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General Annual Grant (GAG)	22,236	6,769,215	(6,582,578)	(17,640)	-	191,233
High Needs	-	253,937	(253,937)	-	-	-
Donations	12,332	900	(366)	-	-	12,866
Pupil Premium	76,886	336,533	(294,006)	(16,420)	-	102,993
Named pupil allowance	108	-	-	-	-	108
Big Lottery Grant	-	9,763	(9,911)	148	-	-
SECLP	9,486	-	-	-	-	9,486
PE and Sports Grant	741	8,305	(9,116)	70	-	-
School trips	1,706	27,969	(28,122)	-	-	1,553
PCG	-	40,000	(3,958)	-	-	36,042
Pension reserve	(1,561,000)	-	(138,000)	-	(1,422,000)	(3,121,000)
	(1,437,505)	7,446,622	(7,319,994)	(33,842)	(1,422,000)	(2,766,719)

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

18. STATEMENT OF FUNDS (continued)

RESTRICTED FIXED ASSET FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Fixed assets transferred on conversion	9,493,953	-	(381,225)	-	-	9,112,728
Fixed assets purchased from GAG and other restricted funds	249,489	-	(80,776)	43,112	-	211,825
LA Devolved formula capital	44,663	-	(177)	(20,480)	-	24,006
Academy capital maintenance grant	1,031,781	-	(46,546)	(5,210)	-	980,025
Devolved formula capital	59,520	32,239	(33,453)	-	-	58,306
Other capital grants received	27,498	-	(834)	-	-	26,664
ARB lift scheme	7,905	-	(4,801)	-	-	3,104
Big Lottery Condition	7,758	-	(1,953)	-	-	5,805
improvement fund	9,968	-	(57)	-	-	9,911
Fixed assets purchased from Pupil Premium	-	-	(1,049)	16,420	-	15,371
	<u>10,932,535</u>	<u>32,239</u>	<u>(550,871)</u>	<u>33,842</u>	<u>-</u>	<u>10,447,745</u>
Total restricted funds	<u>9,495,030</u>	<u>7,478,861</u>	<u>(7,870,865)</u>	<u>-</u>	<u>(1,422,000)</u>	<u>7,681,026</u>
Total of funds	<u><u>9,680,388</u></u>	<u><u>7,756,099</u></u>	<u><u>(8,086,898)</u></u>	<u><u>-</u></u>	<u><u>(1,422,000)</u></u>	<u><u>7,927,589</u></u>

The General Annual Grant (GAG) represents funding received from the Education Funding Agency (EFA) during the year in order to fund the continuing activities of the school. During the year £43,112 (2015: £96,052) was transferred to the restricted fixed asset fund to represent fixed assets purchased from GAG.

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.

PCG - represents one-off funding received from the EFA to contribute to the cost of converting from a school to an academy.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

18. STATEMENT OF FUNDS (continued)

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.

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

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.

Big Lottery Grant - Income received for a Year 8 project.

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.

Condition Improvement Fund - Income received for specific projects tendered for and completed during the year.

Other Information

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

18. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2016 were allocated as follows:

	Total 2016 £	Total 2015 £
Saltash.net Community School	576,129	291,784
Landulph Primary School	24,715	17,069
	600,844	308,853
Total before fixed asset fund and pension reserve	600,844	308,853
Restricted fixed asset fund	10,447,745	10,932,535
Pension reserve	(3,121,000)	(1,561,000)
Total	7,927,589	9,680,388

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2016 £	Total 2015 £
saltash.net Community School	4,892,823	837,129	199,325	1,166,323	7,095,600	7,464,865
Landulph Primary School	206,430	22,283	5,048	68,666	302,427	299,470
Central	-	78,000	-	60,000	138,000	-
	5,099,253	937,412	204,373	1,294,989	7,536,027	7,764,335

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	10,378,055	10,378,055	10,861,404
Current assets	247,147	836,713	69,690	1,153,550	983,574
Creditors due within one year	(584)	(482,432)	-	(483,016)	(603,590)
Pension scheme liability	-	(3,121,000)	-	(3,121,000)	(1,561,000)
	246,563	(2,766,719)	10,447,745	7,927,589	9,680,388

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

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

	2016 £	2015 £
Net expenditure for the year (as per Statement of financial activities)	(330,799)	(739,266)
Adjustment for:		
Depreciation charges	550,872	542,774
Interest received	(1,787)	(2,185)
Profit on the sale of fixed assets	(1,580)	(4,220)
Decrease in stocks	1,723	2,053
Decrease/(increase) in debtors	45,271	(69,033)
(Decrease)/increase in creditors	(120,574)	109,588
Capital grants from DfE and other capital income	(32,239)	(42,112)
Defined benefit pension scheme obligation inherited	-	2,000
Defined benefit pension scheme cost less contributions payable	78,000	80,000
Defined benefit pension scheme finance cost	60,000	52,000
	<hr/>	<hr/>
Net cash provided by/(used in) operating activities	248,887	(68,401)
	<hr/> <hr/>	<hr/> <hr/>

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016 £	2015 £
Cash in hand	961,804	744,833
	<hr/>	<hr/>
Total	961,804	744,833
	<hr/> <hr/>	<hr/> <hr/>

22. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £100,567 were payable to the schemes at 31 August 2016 (2015: 93,940) 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

22. PENSION COMMITMENTS (continued)

benefits are paid by public funds provided by Parliament.

Valuation of the Teachers' Pension Scheme

Not less than every four years the Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury. The aim of the review is to specify the level of future contributions. Actuarial scheme valuations are dependent on assumptions about the value of future costs, design of benefits and many other factors. The latest actuarial valuation of the TPS was carried out as at 31 March 2012 and in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation report was published by the Department for Education on 9 June 2014. The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £548,355 (2015: £490,486).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £331,000 (2015: £309,000), of which employer's contributions totalled £257,000 (2015: £239,000) and employees' contributions totalled £74,000 (2015: £70,000). 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.

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.00 %	3.70 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.10 %	2.60 %

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

22. PENSION COMMITMENTS (continued)

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

	2016	2015
Retiring today		
Males	22.2	22.2
Females	24.4	24.4
Retiring in 20 years		
Males	24.4	24.4
Females	26.8	26.8

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

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	1,654,560	1,164,810
Debt instruments	1,482,210	1,420,500
Property	241,290	198,870
Cash	68,940	56,820
Total market value of assets	<u>3,447,000</u>	<u>2,841,000</u>

The actual return on scheme assets was £315,000 (2015: £86,000).

The amounts recognised in the Statement of financial activities are as follows:

	2016 £	2015 £
Current service cost (net of employee contributions)	(335,000)	(319,000)
Net interest cost	(60,000)	(52,000)
Past service cost	-	(2,000)
Total	<u>(395,000)</u>	<u>(373,000)</u>

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

22. PENSION COMMITMENTS (continued)

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

	2016	2015
	£	£
Opening defined benefit obligation	4,402,000	3,866,000
Current service cost	335,000	319,000
Interest cost	170,000	149,000
Contributions by employees	74,000	70,000
Actuarial losses	1,627,000	40,000
Past service costs	-	2,000
Benefits paid	(40,000)	(44,000)
	<hr/> 6,568,000 <hr/>	<hr/> 4,402,000 <hr/>
Closing defined benefit obligation		

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

	2016	2015
	£	£
Opening fair value of scheme assets	2,841,000	2,490,000
Interest income	110,000	97,000
Actuarial gains and (losses)	205,000	(11,000)
Contributions by employer	257,000	239,000
Contributions by employees	74,000	70,000
Benefits paid	(40,000)	(44,000)
	<hr/> 3,447,000 <hr/>	<hr/> 2,841,000 <hr/>
Closing fair value of scheme assets		

In 2015 the actuarial losses of £51,000 were recognised in the pension reserve in restricted funds.

23. OPERATING LEASE COMMITMENTS

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2016	2015
	£	£
AMOUNTS PAYABLE:		
Within 1 year	13,700	19,865
Between 1 and 5 years	10,343	20,197
	<hr/> 24,043 <hr/>	<hr/> 40,062 <hr/>
Total		

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

24. 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 other than certain Trustees' remuneration and expenses already disclosed in note 12.

25. AGENCY ARRANGEMENTS

The Academy Trust distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ending 31 August 2016 the Trust received £15,580 and disbursed £12,131 from the fund. An amount of £11,498 is included in other creditors relating to undistributed funds that is yet to be distributed.

26. 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.

27. GENERAL INFORMATION

Saltash Multi Academy Regional Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Wearde Road, Saltash, Cornwall, PL12 4AY.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

28. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014 £	31 August 2015 £
Total funds under previous UK GAAP		10,470,654	9,680,388
Total funds reported under FRS 102		<u>10,470,654</u>	<u>9,680,388</u>
Reconciliation of net income/ (expenditure)	Notes		31 August 2015 £
Net (expenditure) previously reported under UK GAAP			(709,266)
Change in recognition of LGPS interest cost	A		(30,000)
Net movement in funds reported under FRS 102			<u>(739,266)</u>

Explanation of changes to previously reported funds and net income/expenditure:

A Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in income/expense. Under FRS102 a net interest, based on the net defined benefit liability, is recognised in income/expense. There has been no change to the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the credit/debit to income/expense by £30,000 and increase the debit/credit in other recognised gains and losses in the SoFA by an equivalent amount.