

AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

REFERENCE AND ADMINISTRATIVE DETAILS

Members	Mr P O'Brien Mrs E Paynter Mrs A Nicholson Mrs M Young (representative of Truro Diocese) EDEN representative
Trustees	Mr W T Hermon, Chief Executive Officer ^{1,2,3,4} Mr G Barriball, Chair ^{1,2,4} Miss C Green (appointed 8 October 2019) ^{1,4} Mr J Sharpe (appointed 7 January 2020) ^{1,2} Mr T Woodward (representative of EDEN) ^{2,3} Mrs R Couch (resigned 2 April 2020) ^{1,4} Mr P Hague ^{2,4} Mrs S Cooksey (resigned 7 January 2020) ^{1,2} Mrs C Paul ^{2,3} Mr S Tavener (appointed 3 February 2020) ^{1,4} Mrs T Rudge ^{3,4} ¹ Resources, Staffing and Safeguarding Committee ² Finance and Strategic Development Committee ³ Teaching, Learning and Achievement Committee ⁴ Audit Committee
Company registered number	08156955
Company name	An Daras Multi Academy Trust
Principal and registered office	Unit 4 Tamar Business Park Pennygillam Way, Pennygillam Industrial Estate Launceston Cornwall PL15 7ED
Company secretary	Mrs T Martin
Accounting officer	Mr W T Hermon
Senior management team	Mr W T Hermon, Chief Executive Officer Mrs E Gilbert, Chief Finance Officer Mrs M Basford, Trust Business Manager
Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT
FOR THE YEAR ENDED 31 AUGUST 2020**

The Trustees present their annual report together with the financial statements and Auditors' Report of the Charitable Company for the year ended 31 August 2019. The annual report serves the purpose of both a Trustees' Report, and a Directors' Report under company law.

The Trust operates 8 academies for pupils aged 2 to 11 in Launceston and its surrounding area. It has a school age pupil capacity of 1007 and had a roll of 888 school age pupils in the school census in January 2020.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust was incorporated on 1st January 2014 and 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 An Daras are also the directors of the Charitable Company for the purposes of company law. The Charitable Company operates as An Daras Trust.

Details of the Trustees who served throughout the year and to the date the accounts are approved are included in the Reference and Administration Details on page 1.

Members' Liability

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

Trustees' Indemnities

In accordance with normal commercial practice the Academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy business. The insurance provides cover up to £5,000,000 on any one claim.

TRUSTEES

Method of recruitment and appointment or election of Trustees

The Academy Trust shall have the following Trustees as set out in its Articles of Association and funding agreement:

- up to 4 Trustees who are appointed by members.
- up to 6 Community Trustees who are appointed by the Trustee board.
- the Chief Executive Officer who is treated for all purposes as being a voting Director.

Trustees are appointed for a four-year period, except that this time limit does not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

The Diocese of Truro (through Askel Veur) is empowered as Foundation Member under article 50AA to appoint Trustees. The Diocese of Exeter (through EDEN) as Foundation Member is empowered under article 50AA to appoint Trustees. Provided that the company is maintaining, carrying on, managing and developing at least one Church Academy in the relevant diocese.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development. In the year covered by these accounts the Board has recruited new Directors with experience and skills in finance and educational provision.

Directors appointed must be fully supportive of the Trust's Christian ethos and values and in full agreement with the Church of England Vision for Education.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Policies and Procedures adopted for the Induction and Training of Trustees

The Academy has a Trustee Recruitment, Induction and Training policy available from the Governance Officer to the Trustees.

The training and induction provided for new Trustees will depend upon their existing experience but would always include a tour of the Academy Trust schools and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses or online training offered by the Local Authority, Diocese of Exeter and Truro and other bodies.

Organisational Structure

The Board of Trustees normally meets once each term. The Board establishes an overall framework for the governance of the Academy Trust and determines membership, terms of reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish Working Groups to perform specific tasks over a limited timescale.

There are 4 committees (plus a Local Governing Body for each individual school) as follows;

- **Resources, Staffing and Safeguarding Committee** - this meets at least three times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, premises management, compliance with reporting and regulatory requirements and reporting. It also incorporates the role of safeguarding oversight.
- **Finance and Strategic Development Committee** - this meets at least once a term to monitor, evaluate and review policy, practice and performance in relation to financial, planning, budget setting and monitoring. It also manages Trust expansion and long-term growth planning and implementation.
- **Teaching, Learning and Achievement Committee** – this meets at least three times a year and is responsible for strategic monitoring of curriculum, standards and school and Trust improvement in relation to learning outcomes plus a focus on maintaining Christian distinctiveness and SIAMS inspection preparation.
- **Audit Committee** – this meets at least once a term and receives reports from the Responsible Officer/internal audit. It also responsible for looking at best value and scrutiny of external financial and other related audit reports.
- **Local Governing Body (individual schools)** – this meets twice a term to monitor, evaluate and review the policy, practice and performance in relation to curriculum planning, target setting and assessment, examinations and parent and pupil welfare.

The following decisions are reserved to the Board of Trustees: to consider any proposals for changes to the status or constitution of the Academy and its committee structure, to appoint or remove the Chairman and/or Vice Chairman, to appoint the CEO and Governance Officer to the Trustees, to approve the Annual Improvement Plan (AIP) and budget.

The Trustees are responsible for setting general policy, adopting an Annual Improvement Plan (AIP) and budget, approving the statutory accounts, monitoring the Trust by the use of budgets and other data, and making major decisions about the direction of the Trust, capital expenditure and staff appointments.

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Trust to the CEO, Deputy Executive Officer (DEO) and Senior Academy Trust Leadership Team (SALT). The SALT comprises the CEO, Deputy EO, Executive Headteachers, Trust School Improvement Officers and the Trust Finance (CFO) and Operations Officer (TOO). The SALT implements the policies laid down by the Trustees and report back to them on performance. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

The CEO, DEO, Trust Finance Officers, Executive Headteachers and Operations Officer, are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to Budget Holders which must be authorised in line with the Scheme of Delegation. The Executive Headteacher is responsible for the appointment of school level staff, though appointment panels for teaching posts always include a Local Governor, and a panel member who has been safer recruitment trained.

The CEO is the Accounting Officer.

Arrangements for setting pay and remuneration of key management personnel

The Trustees consider the Board of Trustees and the Senior Trust Leadership Team comprise the key management personnel of the Trust 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.

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 linked to a robust performance management cycle and is paid in accordance with national pay rates where applicable.

Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
1	1

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	
1%-50%	1
51%-99%	
100%	

Percentage of pay bill spent on facility time

October 2019 Staff Member 1 = 2 days Union related activity

Provide the total cost of facility time	£340.00
Provide the total pay bill	£4,214,414
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time / total pay bill) x 100	0.008%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid trade union activities by relevant union officials during the relevant period / total paid facility time hours) x 100	1.02%
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**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Related Parties and other Connected Charities and Organisations

There are no related parties which either control or significantly influence the decisions and operations of An Daras Trust. There are no sponsors associated with the Trust.

There is a formal Parent teacher Association associated with each individual school within the Trust.

The Trust maintains sound and effective links with both the Diocese of Exeter and the Diocese of Truro. This brings benefit in the form of participation, guidance, advice and training to the Trust and the Trust appreciate the opportunities diocesan collaboration brings to all aspects of the Trusts remit.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing our schools, so they are offering a broad range of curriculum learning for pupils of different abilities, with a strong emphasis on delivering capability mature learners.

The aims of the Trust during the year ended 31 August 2020 are summarised below:

- to continue to raise the standard of educational attainment and achievement of all pupils by igniting pupil's curiosity
- to ensure pupils, parents and staff can operate and learn together in a safe and mutually constructive environment
- to provide a broad and balanced capabilities led curriculum offer, including extra-curricular activities.
- to develop students as more effective, emotionally secure and capability mature learners.
- to develop particular schools so that it enables pupils to achieve their full potential.
- to ensure that every child enjoys the same high-quality education in terms of resourcing, tuition and care.
- to improve the effectiveness of the Trust by keeping the curriculum and organisational structure under continual review.
- to provide value for money for the funds expended.
- To promote and value the Church of England Vision for Education and to advance for the public benefit the principles, practices and tenets of the Church of England both generally and in relation to arranging for religious education and daily acts of worship
- to develop greater coherence, clarity and effectiveness in school systems.
- to comply with all appropriate statutory and curriculum requirements.
- to develop the Trust's capacity to manage change
- to conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.

Objectives, Strategies and Activities

Key priorities for the year were contained in our Academy Improvement Plan 20 which is available from the Academy Central Office. These were identified through internal and external data analysis, internal Trust Risk Register review, effective self-evaluation using the RSC Trust Capacity Framework tool, DFE School Benchmarking Tool, quality assurance monitoring on standards and curriculum provision within Trust schools and from financial and governance review.

Note: These Trust level priorities were identified, and improvement actions planned prior to the nationwide CV19 Pandemic and lockdown from March 2020. The pandemic situation curtailed effective action planning implementation on some of these priorities whilst the Trust concentrated on continuing learning provision remotely for pupils, maintaining extended Key Worker learning in schools and then safely re-opening schools for many year groups during the Summer Term 20.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

Key Improvement focuses identified for this year included:

- Improving the quality of teaching and learning in reading and maths across all Trust schools with a particular focus on the disadvantaged and learners with special educational needs.
- Improve curriculum coherence which fully supports a broad and balanced curriculum offer for all pupils with sequential skills and knowledge fully delivered.
- Improving IT infrastructure at all schools to support enhanced access for learning and to allow administrative and communication functions to operate more effectively
- Continue to use "Visible Learning" strategy and tools to empower greater learner independence and confidence
- Embed the Trust vision for education into effective operational delivery at school level
- Improve overall attendance rates particularly for disadvantaged pupils and reduce temporary exclusions through ensuring pupils at risk are given effective provision.
- Improve the Trust Subject Leaders through an internal training programme so they fully support establishment of a fully effective curriculum across all Trust schools.
- Improve centralisation and standardisation in Trust premises and estate management operations
- Improve efficiency of Local Governance at individual school level
- Secure minor financial control improvements identified through external monitoring.

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 Commissioner's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy's aims and objectives and in planning its future activities.

STRATEGIC REPORT

Achievements and Performance

The Trust is in its sixth year of operation and has a secure forecast number of pupils on roll for the majority of its schools although issues around low pupil numbers at one rural school remains an ongoing concern.

Note: Due to the CV19 pandemic and subsequent school lockdowns all nationwide statutory DfE primary assessments at Year 1, Year 2 and Year 6 were cancelled for 2020 so no external nationally benchmarked test data is available for the period covered by these accounts. Throughout the lockdown period schools within the Trust continued to provide a full Key Worker learning provision and the Trust also acted as a local hub to ensure Key Worker provision for non-trust school pupils could be accommodated. The Trust also ensure lunch meals or food parcels for disadvantaged and vulnerable pupils were provided throughout the lockdown period (including official school holiday periods).

Trust schools were providing a range of effective remote learning for all pupils for the period April, May, June, July 2020 receiving much positive feedback from parents. With only certain year groups returning to school often on a part time basis in June and July 2020 internal teacher assessment data is incomplete and difficult to interpret. The impact of having to provide remote learning has led to the Trust ensuring IT capabilities and training for staff and pupils was increased at the latter end of July 2020 to ensure remote learning services are improved should schools enter partial or full closures in the future.

We were pleased that Princetown Primary re-opened safely for all of its pupils in all year groups in June 2020 - being one of the first schools in England to achieve this feat thereby far exceeding government mandated minimum re-opening expectations. This Trust wide ethos and drive to ensure as much face to face classroom time for pupils - as soon as it was safe to do so - was followed by all Trust schools who quickly and efficiently enabled a return to schools in some form for most year groups in June/July 2020.

The Trust experienced one Ofsted inspection during the period of these accounts. Lew Trenchard C of E VC Primary retained its previous 'good' judgement.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

'Pupils enjoy coming to school. There is a strong inclusive ethos that reflects the Christian values of the school: respect, responsibility and kindness. Pupils know that there are trusted adults who will keep them safe and help them to learn. The high level of care provided by staff, including the family support worker, helps pupils to manage their emotional health and well-being well.'

Leaders expect all pupils to do their best. Pupils recognise the recent improvements that leaders are making to the curriculum. However, some pupils still have gaps in their knowledge and do not learn as well as they should.'

The An Daras Multi-Academy Trust leaders understand the school's priorities. The local governing body carry out their duties effectively. They take a special interest in checking that staff feel well-supported.'

Low Trenchard C of E Primary OFSTED Report – March 2020

To ensure that standards are continually assessed, the Trust operates a programme of learning related observations and monitoring, which are undertaken by the school Heads, Academy Improvement Officers and the Trust CEO. External quality assurance reviews are facilitated when relevant.

The Trust has embedded its vision and mission statement in consultation with stakeholders and has ensured there is a clear theological underpinning to its stated vision. The vision statement reflects the values and ethos of key members of the Trust community but also demonstrates the curriculum opportunity ambitions and personal growth we aim to provide for all of our pupils.

During the year the Trust completed or planned for a number of significant capital project including successful installation of a micro plant sewage and drainage system at North Petherwin Primary and the conversion of upstairs rooms at Werrington into a much-improved learning classroom space for pupils. Planning for longer term condition improvement projects was also completed including the replacement of the entire heating system at St Stephens Community Academy and safeguarding external fencing at many Trust schools.

Continuing professional development for a wide range of staff has been very successful with teaching staff undertaking further Visible Learning training, subject leadership training and some senior staff starting or completing nationally recognised and accredited leadership programmes. The Governance Officer successfully completed university accredited Post Graduate modules in Effective Governance and the Chief Financial Officer completed school accountancy specific training modules.

Key Performance Indicators

Curriculum, Trust vision, teaching and learning and pupil well-being objectives and general academy improvement Key Performance Indicators were set in January 2020 through the mechanism of the annual Academy Trust Improvement Plan process.

The current position of progress towards these objectives is RAG rated below following ongoing review of available evidence by the Trust Board of Directors. The RAG rating is up to date as of 31st August 2020. (Red = Not achieved, Amber = Partially Achieved, Green = Fully Achieved).

Note: Due to extensive interruption due to the CV19 pandemic and lockdown period during the summer term 2020 many of these are not able to be evidenced as achieved as they relied on external national testing or attendance data as the benchmark. Where the annual objectives within the Academy Improvement Plan have not yet been fully met, they will continue into the next Academy Trust Improvement Plan cycle. All review evidence comes from Trust self-evaluation or external judgement where relevant such as annual Trust review with the RSC office.

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

Trust AIP20 Progress Review Summary – Key Performance Indicators		July 20
Priority	Key Performance Indicators (KPI) – RAG Review Summary	Status
1. Teaching and Learning Standards	A. Reading Achievement Improvement – deliver effective learning strategies and skills, taught systematically to ensure all pupils meet/exceed national achievement benchmarks.	A
	A1. Improved KS2 reading progress outcomes across Trust. By July 20.	R
	A2. Improved KS1 and KS2 phonic/reading attainment outcomes across Trust. By July 20.	R
	B. Maths Achievement Improvement – deliver effective learning strategies and skills, taught systematically to ensure all pupils meet/exceed national achievement benchmarks. Focus on improving GDS outcomes through better practitioner knowledge and skills.	A
	B1. Improved KS2 maths progress outcomes across Trust. By July 20.	R
	B2. Improved KS1 and KS2 maths attainment outcomes across Trust. By July 20.	R
	C. Disadvantaged and SEND Provision – improve curriculum planning, provision and breadth of learning to provide diverse opportunities matched to learning needs of individuals and groups (including most able disadvantaged).	A
	C1. Improved KS1 and 2 disadvantaged achievement outcomes across Trust. By July 20.	R
	C2. Improved KS1 and 2 SEND achievement outcomes across Trust. By July 20.	R
	C3. Improved KS1 and 2 GDS achievement outcomes across Trust. By July 20.	R
2. Curriculum and Assessment	Curriculum Coherence – improve mapping, planning and coherence of broad and balanced curriculum offer which ensures subject skills/knowledge are taught systematically with learning connections explicit.	G
	1. Capabilities Curriculum fully embedded and mapped in school level curriculum provision. By April 20	G
	2. Capabilities led learning for pupils being improved systematically at each school in-line with Trust strategy. By July 20.	G
3. Vision and Culture	Trust Vision and Mission Statement – effectively embedded through everyday operations at Trust schools.	G
	1. Trust schools able to evidence vision (school, Trust and C of E if relevant) into practice delivered through concrete pupil level experiences and opportunities. By July 20.	G
	2. Pupils, staff and wider community able to articulate Trust vision and know how it is delivered into a lived reality at their school. By Sept 20.	G
4. Safeguarding (behaviour/attendance)	Attendance and Exclusions – improve overall attendance rates particularly for disadvantaged and reduce temporary exclusions through effective provision for pupils at risk.	A
	1. Overall attendance rates for 2020 at the majority of schools are improving over previous benchmarks. By Sept 20.	R
	2. Temporary exclusion rates 2020 are showing a reduction over previous benchmarks at vast majority of Trust schools. By Dec 20.	A

TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

5. People and Leadership	A. Trust Subject Leader Programme – fully develop the current TSL programme so subject level expertise is effectively distributed across the Trust.	A
	A1. Trust Subject Leadership expertise is in place and enabling individual school curriculum provision to improve in learning quality and effectiveness. By Dec 20.	A
	B. LGB Effectiveness - further improved and accountable for local school outcomes.	A
	B1. LGB can evidence effective impact on school standards. By Sept 20.	A
	B2. Identification of remaining barriers to LGB efficiency identified and addressed by Board through its Scheme of Delegation. By Sept 20.	A
6. Premises and Business	A. Premises Infrastructure – fully implement the new premises condition monitoring programme so premises management expertise is accurately identifying priority work and financial implications across the Trust estate	A
	A1. Property Condition Reports updated for longest member schools. By Dec 20.	G
	A2. Condition Reports identifying risks and priorities accurately to ensure Board decision making is effective with accurate three-year premises remedial works plan in place. Ongoing.	A
	B. IT Infra-structure – complete curriculum level IT hardware improvements at remaining Trust schools and start wider IT improvement as identified in Autumn Term 19 full Trust IT Audit.	A
	B1. 3-Year IT Development Plan established with first phase of IT infra-structure priority needs fully completed. By Dec 20.	A
	B2. Pupils at all Trust schools able to access full, reliable and secure IT curriculum provision. By Dec 20	G
	C. Financial Controls – complete minor improvements identified in Autumn Term 19 full Trust annual external audit.	A
	C1. All identified financial control recommendations are successfully addressed with in-year progress towards compliance regularly reviewed by the BoD. By Dec 20.	A

Key Financial Performance indicators which were a Trust focus for the year are listed below:

Performance Indicator Priority	Target	Actual
GAG carry forward %	£149,000	£407,713 – 10%
Total unrestricted funds balance	£380,000 - £500,000	£199,565
Pupil attendance %	97%	95% - 96% average per school
Ratio of staff costs to income	70% larger school 75% small schools	72%

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 Statement of Accounting Policies.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

FINANCIAL REVIEW

Most of the Trust's income is obtained from the DfE via the ESFA 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 2020 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

During the year ended 31 August 2020, the Trust received total income of £5,892,357 and incurred total expenditure of £5,808,329. The excess of income over expenditure for the year was £84,028.

At 31 August 2020 the net book value of fixed assets was £5,513,228 and movements in tangible fixed assets are shown in note 16 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Trust.

The Academy has taken on the deficit in the Local Government Pension Scheme in respect of its non-teaching staff transferred on conversion. The deficit is incorporated within the Statement of Financial Activities with details in note 27 to the financial statements.

Key financial policies adopted or reviewed during the year include a range of separate policies which lay out the framework for financial management, including financial responsibilities of the Board, CEO, Executive Head Teacher, financial managers, budget holders and other staff, as well as delegated authority for spending.

Reserves Policy

The Trustees review the reserve levels of the Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of the Trust, the uncertainty over future income streams and other key risks identified during the risk review.

The Trustees have determined that the appropriate level of free reserves should be approximately 4 and 6 weeks of operating costs or between £400,000 to £600,000. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance, unexpected costs due to external factors (as evidenced by CV19 pandemic costs) or any alternative reasons which might be relevant e.g. fall in pupil numbers resulting in losing a class but not wanting to lose a teacher, a rise in pupil numbers meaning not enough funding to teach the pupils etc. Total reserves of the academy amount to £3,967,165, although £3,368,482 of this is invested in fixed assets or represents non-GAG restricted funds. The remaining £607,278 (representing £199,565 unrestricted funds and £407,713 unspent GAG) is the balance that the Trustees monitor in accordance with the Board's reserves policy.

The defined benefit pension scheme reserve has a negative balance. The effect of the deficit position of the pension scheme is that the Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Trust'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 the Trust.

Investment Policy

Trustees are committed to ensuring that all funds under their control are managed in such a way as to maximise return whilst minimising risk. Any cash not required for operating expenses is placed on deposit at the most favourable rate available from providers covered by the Financial Services Compensation Scheme. Day to day management of the surplus funds is delegated to the CEO, Finance Officer and Finance Director within strict guidelines approved by the Board of Trustees.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

The investment policy authorises longer term investment of funds in blocks of £50,000 following due diligence and appropriate Board authorisation. This facility has not been used since the inception of the Trust.

PRINCIPAL RISKS AND UNCERTAINTIES

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

The principal risks and uncertainties facing the Trust have been identified through the regular in-year Trust Risk register reviews are as follows:

Financial - the Trust has considerable reliance on continued Government funding through the ESFA. In the last year 94% of the Trust's incoming resources were ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review regularly and ensure that appropriate measures are in place to mitigate these risks. The appointment of an appropriately Chief Finance Officer has provided long term mitigation.

Reputational - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees, ensure that pupil success and achievement are closely monitored and reviewed. Trustees have also embedded the Trust vision going forward and continue to work productively with other stakeholders to ensure the secure reputation of the Trust is upheld.

Safeguarding and child protection - the Trustees continue to ensure that the highest standards are maintained in the areas of selection and monitoring of staff, the operation of child protection policies and procedures, health & safety and discipline.

Staffing - the success of the Trust is reliant upon the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds - the Trust has appointed a Responsible Officer/Internal Assurance auditor to carry out checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Trust has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained and reviewed and updated on a regular basis.

The Trustees have regularly assessed the major risks to which the Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains, they have ensured they have adequate insurance cover.

The Trustees examine the financial health of the Trust formally every term with monthly management accounts available through SharePoint. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance and Strategic Development Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

At the year end, the Trust had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in note 27 to the financial statements, represents a significant potential liability. However, as the Trustees consider that the Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

FUNDRAISING

The Trust carries out a limited amount of fundraising, mindful of the communities within which it operates. In the circumstances when fundraising is undertaken, systems and controls are in place to separate and protect funds. The Trust is mindful of its responsibilities under the Charities (Protection and Social Investment) Act 2016 and legal rules, and ensures all activities are agreed and monitored at Senior leadership level in compliance with relevant legal rules. Recognised standards are applied to ensure that fundraising is open, honest and respectful, protecting the public and vulnerable sections of society from undue pressure to donate. All complaints relating to any fundraising activities will be investigated using the Trusts published Complaints Policy.

PLANS FOR FUTURE PERIODS

The Trust will continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. This will initially focus on successfully recovering learning standards following the CV19 pandemic and lockdown period March to July 2020. Short term learning recovery schedules will be initiated at each school. Recovery schedules will use additional internal Trust funding streams allocated by the Board of Trustees plus the government CV19 catch-up grant to provide additional learning staff, resources or IT equipment. The Trust has invested in improved IT platforms and hardware to ensure statutory short- or long-term remote learning requirements for pupils from September 2020 (should it be required) is fully effective and interactive.

The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Trust will focus on further embedding its new vision through all of its activities and will ensure the strong theological underpinnings and alignment with the Church of England Vision for Education are positively delivered across the Trust and through its wider working. The Trust is expecting a delayed SIAMS inspection at St Catherine's C of E Primary in 2021 and we will continue to work effectively with the school to ensure the outcome is good or better.

The Trust will continue to allocate improvement resources to our schools based on accurate identification of need. A key school is Windmill Hill Academy which the Trust is aiming to secure another good judgement for at its next inspection (the expected date for re-inspection was delayed due to the CV19 pandemic and lockdown).

The Trust will continue to work towards the achievement of objectives as set out in the latest 3 to 5-year growth plan with the key focus remaining to improve the educational opportunities for pupils in the wider community.

The Trust plans to develop its new Capabilities Curriculum further to ensure pupils receive a high quality broad and balanced curriculum provision including the full integration of the new statutory PSHE/SRE curriculum. A full focus on improving Key Stage 2 progress outcomes for all pupils irrespective of need or ability will remain.

Financial resources will be allocated to ensure our sites and building can complete high value and essential remedial repairs to key infrastructure issues identified through asset management review e.g. drainage systems, roof treatment and heating boilers and controls.

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020**

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

AUDITOR

In so far as the Trustees are aware:

- there is no relevant audit information of which the Charitable Company's auditor is 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 auditor is 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 the company directors, on 9 December 2020 and signed on the board's behalf by:

G Barriball
Chair of Trustees



GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

As Trustees, we have reviewed and taken account of the guidance in DfE's Governance Handbook and competency framework for governance.

The Board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 An Daras Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The full Board of Trustees has formally met 4 times during the year. The full Board of Trustees has formally met 4 times during the year. The full Board meeting planned in March 2020 was cancelled due to Covid-19 related lockdown.

Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
W T Hermon, Chief Executive Officer	4	4
G Barriball, Chair	4	4
C Green	2	4
J Sharpe	3	3
T Woodward	4	4
R Couch	0	1
P Hague	3	4
S Cooksey	0	1
C Paul	4	4
S Tavener	3	3
T Rudge	4	4

The full Board maintains full oversight and good governance by fully utilising advantages built into the committee meeting structure, the Trust cyclical plan and the comprehensive scheme of delegation to ensure all essential aspects of governance are fully covered on a regular basis by groups of delegated directors and local governors. Although the full Board met only 3 times there is regular oversight of all aspects of the Board's responsibilities as evidenced by Trust meeting minutes. The Trust Members meet twice in the year to ensure adequate oversight of the director's working.

Key changes in the composition of the Board of Trustees and particular challenges that have arisen for the Board are:

- Vice Chair (G Barriball) assumed acting Chair of Board position in June 2019 and his position as Chair was confirmed on 1st July 2019.
- One director (S Cooksey) came to the end of her term on 7 Jan 2020.
- One director representing the Diocese of Truro (R Couch) resigned on 2 April 2020.
- Four new Directors joined the Trust Board, all of which had skills required or desired by the Trust. J Sharpe on 7 Jan 2020 with strong financial and business background. T Rudge on 28 Jan 2020 with insurance, financial and educational background. C Green on 28 Jan 2020 with an educational and school improvement background, as well as intimate knowledge of An Daras schools. S Tavener with a strong business, premises and financial background, and also experience in HR and audit.
- The boards work for the educational year began with a focus on school improvement, implementing the capabilities curriculum, managing risks and ensuring sound financial processes. However, Covid-19 and school closures/lockdown quickly changed the board's focus to facilitating and monitoring effective remote learning, Covid-19 risk assessments, recovery planning and school leadership/staff/student welfare.
- The board have also ensured the Trust has maintained one school with a OFSTED inspection framework judgement of 'good' following inspection in the Spring Term 2020.
- The board have based its decision making over the course of the year from internal and external reporting, trust quality assurance monitoring of school improvement and standards, DfE data dashboards (ASP, ISDR) and through in year financial benchmarking and management reporting. The data has been consistently presented and its quality scrutinised prior to decision making to ensure the Trust's work is accurately targeted to meet its Funding Agreements and its Articles.

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

Governance Review

- A review of the Trust Board effectiveness occurred in summer 2019 and as such another review of the Board was not conducted during this accounting period. However, key documents such as the Scheme of Delegation has been reviewed to ensure it is still fit for purpose. Also, the outcome of the skills audit conducted in 2019 has been used to recruit 4 new directors with skills required by the Board.
- The Trust intended to conduct its next self-evaluation of governance in 2020 focussing on effectiveness at local governance level but the cumulative delay resulting from the Covid-19 pandemic has delayed this until 2021.
- The Trust has Directors and Members appointed by Askel Veur for the Diocese of Truro and EDEN for the Diocese of Exeter. The collaboration and support of both dioceses contribute to the sound governance of the Trust.

The Finance and Strategic Development Committee is a sub-committee of the main Board of Trustees. Its purpose is to take responsibility for financial affairs to maximise outcomes for pupils, link growth with effective financial forecasting, ensure budget planning process is accurate and maintain oversight of capital projects. It has focused on achieving financial security.

During the year C. Paul moved to the committee and J. Sharpe joined the committee.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Sharpe	2	2
G Barriball	3	3
P Hague	3	3
T Woodward	1	3
W T Hermon	3	3
C Paul	3	3

The Audit Committee is also a sub-committee of the main Board of Trustees. Its purpose is to manage risks, ensure independent checking of financial controls, implement reasonable internal scrutiny and risk management measures, ensure effective control of resources and implement external audit recommendations.

During the year C. Paul moved from this committee, and R. Couch and S. Cooksey left this committee on resignation. S. Tavener, C. Green and T. Rudge joined this committee. G. Barriball, as Chair of the Trust Board, attended the autumn Audit committee to listen to the external auditor feedback.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
S Cooksey	0	1
P Hague	3	3
B Couch	1	2
W T Hermon	3	3
G Barriball	1	1
S Tavener	2	2
C Green	3	3
T Rudge	2	3

GOVERNANCE STATEMENT (CONTINUED)

GOVERNANCE (CONTINUED)

The Resources, Staffing and Safeguarding Committee is a sub-committee of the main Board of Trustees. Its purpose is to ensure all schools have effective staff, that correct performance management processes and HR policies are followed, that child protection & safeguarding is effective across the Trust, that responsibilities under the equalities act are met, that assets and the estate is appropriately managed including insurance arrangements, and that health & safety measures are appropriate and in place.

During the year R. Couch and S. Cooksey left this committee. C. Green, J. Sharpe and S. Tavener joined the committee.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
G Barriball	1	2
C Green	2	2
J Sharpe	1	1
S Tavener	1	1
B Couch	2	2
W Hermon	2	2
S Cooksey	1	1

The Teaching, Learning and Achievement Committee is a sub-committee of the main Board of Trustees. Its purpose is to oversee academic performance across the Trust and schools, ensure cohesive Trust improvement strategy, maintain church ethos, ensure ethos and values promote fundamental British values, ensure communication across the MAT with stakeholders such as parents, oversee development and implementation of new curriculum, and ensure high standards of teaching and learning is balanced with an enriched curriculum and staff well-being.

During the year T. Rudge joined this committee.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
C Paul	2	2
T Woodward	2	2
T Rudge	1	2
W Hermon	2	2

GOVERNANCE STATEMENT (CONTINUED)

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Chief Executive Officer 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.

Coads Green Primary continued to operate in a small financial deficit in the year 19/20 due to a static pupil roll. A planned two-year adjustment to staffing levels by the Trust has now been completed which will bring the school back into a non-deficit position for 20/21 financial year.

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:

- Robust financial governance and budget management. As evidenced by the vast majority of our schools operating with an in-year surplus for this financial period.
- Enabled schools to meet the totally unexpected challenges and costs created by Covid-19 rapidly and effectively to maintain good levels of educational service and safety.
- Value for money purchasing. As evidenced by the decision to improve the trust IT long term infrastructure across all of the schools and central through a planned cycle of improvement.
- Ensuring Trust CIF funding bids were created, submitted and ultimately approved for significant premises improvement across a number of Trust school sites to start in 20/21.
- Ensured a major premises maintenance issue was successfully completed at North Petherwin within the projected costs enabling the school to remain open and long term viable.
- Making comparisons with similar academies using data provided by the ESFA and the Government to ensure our key benchmarks are within normality bands or have a clear explanation of operational context if not within the norm.
- Internal reviewing of the quality of Trust wide curriculum provision and quality of teaching. As evidenced by the long term-development of a new in-house Capabilities Curriculum strategy with associated resources which benefit all of our schools. This has been completed using internal resources to support schools with the correct school improvement approach in a cost-efficient manner.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 An Daras Multi Academy Trust for the year 1 September 2019 to 31 August 2020 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 2019 to 31 August 2020 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

GOVERNANCE STATEMENT (CONTINUED)

THE RISK AND CONTROL FRAMEWORK

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

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

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

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

- Testing of purchase systems
- Testing of control account/bank account reconciliations
- Testing compliance.

On a regular basis, the external auditors report to the Board of Trustees through the Audit Committee/ Finance Committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The findings of these reports following the completion of the agreed schedule of work are actioned by the Executive and Finance Officers with progress towards controlling risk and delivering and remedial works is regularly reported to the Trustees. Key areas identified and actioned through this process for the period from 1 September 2019 to 31 August 2020 are:

- Material control issue: Review accuracy of processes for year end figures
Remedial action taken: Internal processes initiated to increase accuracy of year end figures in identified areas
- Material control issue: Invoices due not posted to financial management system and negative balances on aged report relating to 2017 transactions
Remedial action taken: Internal rectification work with financial management system ongoing
- Material control issue: VAT control account codes for each school not reconciled/cleared down at year end to agree to the total liability
Remedial action taken: VAT control accounts are being cleared down and reconciled to the VAT return on a quarterly basis

GOVERNANCE STATEMENT (CONTINUED)

REVIEW OF EFFECTIVENESS

As Accounting Officer, the Chief Executive Officer 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 financial 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 address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the Members of the Board of Trustees on 9 December 2020
their behalf by:

and signed on



G Barriball
Chair of Trustees



W T Hermon
Accounting Officer

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of An Daras Multi Academy Trust I have considered my responsibility to notify the Academy Trust Board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2019.

I confirm that I and the Academy Trust Board of Trustees are able to identify any material irregular or improper use of all 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 2019.

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



W T Hermon

Accounting Officer

Date: 9 December 2020

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2020

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

Company law requires the Trustees to prepare financial statements for each financial . 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 2019 and the Academies Accounts Direction 2019 to 2020;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the Going Concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the Members of the Board of Trustees on
9 December 2020 and signed on its behalf by:



Mr G Barriball
Chair of Trustees

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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

OPINION

We have audited the financial statements of An Daras Multi Academy Trust (the 'Academy Trust') for the year ended 31 August 2020 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2020 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 2019 and the Academies Accounts Direction 2019 to 2020 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

- the Trustees' use of the Going Concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Academy Trust's ability to continue to adopt the Going Concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF AN
DARAS MULTI ACADEMY TRUST (CONTINUED)**

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF AN
DARAS MULTI ACADEMY TRUST (CONTINUED)**

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Academy Trust's ability to continue as a Going Concern, disclosing, as applicable, matters related to Going Concern and using the Going Concern basis of accounting unless the Trustees either intend to liquidate the Academy Trust or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

This report is made solely to the Academy 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 opinions we have formed.



Nathan Coughlin FCA (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: 16 December 2020

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO AN DARAS
MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 18 September 2018 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2019 to 2020, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by An Daras Multi Academy Trust during the year 1 September 2019 to 31 August 2020 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 An Daras Multi Academy Trust and ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to An Daras Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than An Daras Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF AN DARAS MULTI ACADEMY TRUST'S ACCOUNTING
OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of An Daras Multi Academy Trust's funding agreement with the Secretary of State for Education dated 19 December 2013 and the Academies Financial Handbook, extant from 1 September 2019, 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 2019 to 2020. 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 2019 to 31 August 2020 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 2019 to 2020 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO AN DARAS
MULTI ACADEMY TRUST AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2019 to 31 August 2020 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Nathan Coughlin FCA
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 16 December 2020

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
INCOME FROM:						
Donations and capital grants:	3					
Transfer from Local Authority on conversion		8,237	(130,000)	-	(121,763)	-
Other donations and capital grants		27,398	49,636	546,356	623,390	180,483
Charitable activities:	4					
Other charitable activities		398,920	4,987,247	-	5,386,167	4,934,971
Other trading activities	6	4,139	-	-	4,139	6,516
Investments	7	424	-	-	424	537
TOTAL INCOME		439,118	4,906,883	546,356	5,892,357	5,122,507
EXPENDITURE ON:						
Raising funds		2,476	-	-	2,476	6,120
Charitable activities		415,543	5,266,134	124,176	5,805,853	5,119,695
TOTAL EXPENDITURE		418,019	5,266,134	124,176	5,808,329	5,125,815
NET MOVEMENT IN FUNDS BEFORE OTHER RECOGNISED GAINS/(LOSSES)		21,099	(359,251)	422,180	84,028	(3,308)
OTHER RECOGNISED GAINS/(LOSSES) :						
Actuarial losses on defined benefit pension schemes	27	-	(584,000)	-	(584,000)	(473,000)
NET MOVEMENT IN FUNDS		21,099	(943,251)	422,180	(499,972)	(476,308)

AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2020

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £	Total funds 2019 £
RECONCILIATION OF FUNDS:					
Total funds brought forward	178,466	(1,334,677)	5,623,348	4,467,137	4,943,445
Net movement in funds	21,099	(943,251)	422,180	(499,972)	(476,308)
TOTAL FUNDS CARRIED FORWARD	199,565	(2,277,928)	6,045,528	3,967,165	4,467,137

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

The notes on pages 32 to 66 form part of these financial statements.

AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:08156955

BALANCE SHEET
AS AT 31 AUGUST 2020

	Note	2020 £	2019 £
FIXED ASSETS			
Tangible assets	16	5,513,228	5,508,377
		<u>5,513,228</u>	<u>5,508,377</u>
CURRENT ASSETS			
Stocks	17	8,524	4,733
Debtors	18	946,339	276,169
Cash at bank and in hand		738,712	801,625
		<u>1,693,575</u>	<u>1,082,527</u>
Creditors: amounts falling due within one year	19	(482,638)	(385,767)
NET CURRENT ASSETS		<u>1,210,937</u>	<u>696,760</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>6,724,165</u>	<u>6,205,137</u>
NET ASSETS EXCLUDING PENSION LIABILITY		<u>6,724,165</u>	<u>6,205,137</u>
Defined benefit pension scheme liability	27	(2,757,000)	(1,738,000)
TOTAL NET ASSETS		<u><u>3,967,165</u></u>	<u><u>4,467,137</u></u>
FUNDS OF THE ACADEMY TRUST			
Restricted funds:			
Fixed asset funds	20	6,045,528	5,623,348
Restricted income funds	20	479,072	403,323
		<u>6,524,600</u>	<u>6,026,671</u>
Restricted funds excluding pension liability	20	6,524,600	6,026,671
Pension reserve	20	(2,757,000)	(1,738,000)
Total restricted funds	20	<u>3,767,600</u>	<u>4,288,671</u>
Unrestricted income funds	20	<u>199,565</u>	<u>178,466</u>
TOTAL FUNDS		<u><u>3,967,165</u></u>	<u><u>4,467,137</u></u>

The financial statements on pages 28 to 66 were approved by the Trustees, and authorised for issue on 9 December 2020 and are signed on their behalf, by:

Mr G Barriball
 (Chair of Trustees)

The notes on pages 32 to 66 form part of these financial statements.

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2020**

	Note	2020 £	2019 £
CASH FLOWS FROM OPERATING ACTIVITIES			
Net cash (used in)/provided by operating activities	22	(480,666)	245,026
CASH FLOWS FROM INVESTING ACTIVITIES	23	417,753	(404,780)
CHANGE IN CASH AND CASH EQUIVALENTS IN THE YEAR		(62,913)	(159,754)
Cash and cash equivalents at the beginning of the year		801,625	961,379
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	24, 25	738,712	801,625

The notes on pages 32 to 66 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

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 historic 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 2019 to 2020 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

An Daras Multi Academy Trust meets the definition of a public benefit entity under FRS 102.

1.2 GOING CONCERN

The Trustees assess whether the use of Going Concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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 2020**

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

All incoming resources are recognised when the Academy Trust has entitlement to the funds, the receipt is probable and the amount can be measured reliably.

- **Grants**

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 meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. 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 year is deducted from income and recognised as a liability.

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

- **Donations**

Donations are recognised on a receivable basis (where there are no performance-related conditions) where the receipt is probable and the amount can be reliably measured.

- **Other income**

Other income, including the hire of facilities, is recognised in the year it is receivable and to the extent the Academy Trust has provided the goods or services.

- **Transfer on conversion**

Where assets and liabilities are received by the Academy Trust on conversion to an Academy, the transferred assets are measured at fair value and recognised in the Balance Sheet at the point when the risks and rewards of ownership pass to the Academy Trust. An equal amount of income is recognised as a transfer on conversion within 'Income from Donations and Capital Grants' to the net assets received.

1.4 EXPENDITURE

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

- **Expenditure on raising funds**

This 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE (CONTINUED)

- **Charitable activities**

These 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.

1.5 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Academy Trust; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

1.6 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 Part 11, chapter 3 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.

1.7 INTANGIBLE ASSETS

Intangible assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Computer software	-	% 3 years straight line
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.8 TANGIBLE FIXED ASSETS

Tangible fixed assets costing £1,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

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

Freehold property	- 2% straight line, land not depreciated
Long-term leasehold property	- 2% straight line, land 125 years
Furniture and equipment	- 20% straight line
Computer equipment	- 33% straight line

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.

Where the Academy Trust has been granted use of the school buildings from the Diocese under Supplemental Agreements, the Academies Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Diocese. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the rateable value of the buildings.

1.9 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.

1.10 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.12 LIABILITIES

Liabilities 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.

1.13 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 18. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised cost as detailed in note 19. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument.

1.14 OPERATING LEASES

Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

1. ACCOUNTING POLICIES (continued)

1.15 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.

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is 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 multi-employer 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.

1.16 CONVERSION TO AN ACADEMY TRUST

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

The assets and liabilities transferred on conversion from Princetown Community Primary School to the Academy Trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate Balance Sheet categories, with a corresponding amount recognised in Income from Donations and Capital Grants in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 26.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

1. ACCOUNTING POLICIES (continued)

1.17 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 the funders where the asset acquired or created is held for a specific purpose.

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

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

2. 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 valuation of land transferred on conversion to an academy. The Trustees use all information available including valuation reports and benchmarking these valuations to determine the fair value.

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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 2019 has been used by the actuary in valuing the pensions liability at 31 August 2020. 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2020 £	Restricted funds 2020 £	Fixed asset funds 2020 £	Total funds 2020 £
DONATIONS				
Transfer from Local Authority on conversion	8,237	(130,000)	-	(121,763)
	<u>8,237</u>	<u>(130,000)</u>	<u>-</u>	<u>(121,763)</u>
Donations	27,398	49,636	-	77,034
Capital Grants	-	-	546,356	546,356
	<u>27,398</u>	<u>49,636</u>	<u>546,356</u>	<u>623,390</u>
SUBTOTAL				
	<u>35,635</u>	<u>(80,364)</u>	<u>546,356</u>	<u>501,627</u>
	<u><u>35,635</u></u>	<u><u>(80,364)</u></u>	<u><u>546,356</u></u>	<u><u>501,627</u></u>
	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Donations	23,020	49,636	19,525	92,181
Capital Grants	-	-	88,302	88,302
	<u>23,020</u>	<u>49,636</u>	<u>107,827</u>	<u>180,483</u>
	<u><u>23,020</u></u>	<u><u>49,636</u></u>	<u><u>107,827</u></u>	<u><u>180,483</u></u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Education	149,764	4,987,247	5,137,011
Nursery	249,156	-	249,156
	<u>398,920</u>	<u>4,987,247</u>	<u>5,386,167</u>
	<u><u>398,920</u></u>	<u><u>4,987,247</u></u>	<u><u>5,386,167</u></u>

AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

4. INCOME FROM CHARITABLE ACTIVITIES (CONTINUED)

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
Education	149,642	4,535,952	4,685,594
Nursery	249,377	-	249,377
	<u>399,019</u>	<u>4,535,952</u>	<u>4,934,971</u>

5. FUNDING FOR THE ACADEMY TRUST'S EDUCATION

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
DfE/ESFA grants			
General Annual Grant	-	3,991,346	3,991,346
Start up Grants	-	25,000	25,000
Other DfE/EFSA grants	-	841,302	841,302
	<u>-</u>	<u>4,857,648</u>	<u>4,857,648</u>
Other Government grants			
High Needs	-	74,556	74,556
Other government grants: non capital	-	35,661	35,661
	<u>-</u>	<u>110,217</u>	<u>110,217</u>
Other funding			
Internal catering income	36,561	-	36,561
Sales to students	81,980	-	81,980
Other	31,223	19,382	50,605
	<u>149,764</u>	<u>19,382</u>	<u>169,146</u>
	<u>149,764</u>	<u>4,987,247</u>	<u>5,137,011</u>

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

5. FUNDING FOR THE ACADEMY TRUST'S EDUCATION (CONTINUED)

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £
DFE/ESFA GRANTS			
General Annual Grant	-	3,735,852	3,735,852
Other DfE/EFSA grants	-	626,458	626,458
	-	4,362,310	4,362,310
Other Government grants			
High Needs	-	58,219	58,219
Other government grants: capital	-	18,439	18,439
	-	76,658	76,658
Other funding			
Internal catering income	54,455	-	54,455
Sales to students	58,127	57,429	115,556
Other	37,060	39,555	76,615
	149,642	96,984	246,626
	149,642	4,535,952	4,685,594

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from fundraising events

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Lettings	-	-	(420)
Fees received	4,139	4,139	6,936
	4,139	4,139	6,516

All prior year amounts relate to unrestricted funds.

AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

7. INVESTMENT INCOME

	Unrestricted funds 2020 £	Total funds 2020 £	Total funds 2019 £
Investment income	424	424	537

All prior year amounts relate to unrestricted funds.

8. EXPENDITURE

	Staff Costs 2020 £	Premises 2020 £	Other 2020 £	Total 2020 £
EXPENDITURE ON FUNDRAISING TRADING ACTIVITIES:				
Direct costs	-	-	2,476	2,476
Education:				
Direct costs	3,301,401	-	578,350	3,879,751
Support costs	740,431	500,874	461,506	1,702,811
Nursery:				
Direct costs	215,537	-	2,314	217,851
Support costs	-	3,289	2,151	5,440
TOTAL 2020	4,257,369	504,163	1,046,797	5,808,329

AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

8. EXPENDITURE (CONTINUED)

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £
EXPENDITURE ON FUNDRAISING TRADING ACTIVITIES:				
Direct costs	-	-	6,120	6,120
EDUCATION:				
Direct costs	2,963,443	91,181	420,815	3,475,439
Allocated support costs	589,561	408,582	432,279	1,430,422
NURSERY:				
Direct costs	190,039	4,097	930	195,066
Allocated support costs	-	-	18,768	18,768
TOTAL 2019	3,743,043	503,860	878,912	5,125,815

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Direct costs 2020 £	Support costs 2020 £	Total funds 2020 £
Education	3,879,751	1,702,811	5,582,562
Nursery	217,851	5,440	223,291
	4,097,602	1,708,251	5,805,853

	Direct costs 2019 £	Support costs 2019 £	Total funds 2019 £
Education	3,475,439	1,430,422	4,905,861
Nursery	195,066	18,768	213,834
	3,670,505	1,449,190	5,119,695

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs

	Education 2020 £	Nursery 2020 £	Total funds 2020 £
Pension finance expense	19,000	-	19,000
Staff costs	740,431	-	740,431
Recruitment and support	5,071	-	5,071
Maintenance of premises and equipment	166,442	689	167,131
Cleaning	38,502	-	38,502
Rent and rates	145,327	2,600	147,927
Energy costs	67,857	-	67,857
Insurance	48,580	1,389	49,969
Security and transport	8,536	-	8,536
Catering	156,435	327	156,762
Technology costs	144,351	-	144,351
Office overheads	35,482	435	35,917
Legal - other	101,144	-	101,144
Bank interest and charges	91	-	91
Governance costs	17,750	-	17,750
Legal - conversion	7,812	-	7,812
TOTAL 2020	1,702,811	5,440	1,708,251

AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

Analysis of support costs (continued)

	Education 2019 £	Nursery 2019 £	Total funds 2019 £
Pension finance expense	8,000	-	8,000
Staff costs	589,561	-	589,561
Depreciation	40,503	-	40,503
Recruitment and support	3,190	-	3,190
Maintenance of premises and equipment	94,781	1,496	96,277
Cleaning	33,444	-	33,444
Rent and rates	123,908	2,600	126,508
Energy costs	62,523	-	62,523
Insurance	84,926	651	85,577
Security and transport	8,532	-	8,532
Catering	180,194	622	180,816
Technology costs	96,427	-	96,427
Office overheads	20,229	13,399	33,628
Legal - other	55,252	-	55,252
Bank interest and charges	217	-	217
Governance costs	28,735	-	28,735
TOTAL 2019	1,430,422	18,768	1,449,190

10. NET INCOME/(EXPENDITURE)

Net income/(expenditure) for the year includes:

	2020 £	2019 £
Operating lease rentals	48,423	36,057
Depreciation of tangible fixed assets	124,176	120,518
Amortisation of intangible fixed assets	-	11,166
Fees paid to auditors for:		
- audit	11,750	10,500
- other services	4,900	4,500

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

11. STAFF

a. STAFF COSTS

Staff costs during the year were as follows:

	2020	2019
	£	£
Wages and salaries	3,022,438	2,751,953
Social security costs	245,426	222,873
Pension schemes	946,550	703,857
	4,214,414	3,678,683
Agency supply teacher costs	42,955	64,360
	4,257,369	3,743,043

b. STAFF NUMBERS

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

	2020	2019
	No.	No.
Teachers	58	42
Educational Support	100	88
Administration and Clerical	15	18
Management	3	6
	176	154

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

11. STAFF (CONTINUED)

c. HIGHER PAID STAFF

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

	2020 No.	2019 No.
In the band £60,001 - £70,000	1	-
In the band £70,001 - £80,000	1	1

d. KEY MANAGEMENT PERSONNEL

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 and employer's National insurance contributions) received by key management personnel for their services to the Academy Trust was £168,197 (2019: £154,759).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

12. CENTRAL SERVICES

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

- Finance and administration
- Insurance brokering
- Governance and clerking support
- Premises management and compliance
- Human resources management
- School improvement services
- Centralised leadership

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

The costs of provision of central services is recharged to the academies based upon % of income and allocation of school specific work.

The actual amounts charged during the year were as follows:

	2020 £	2019 £
St Stephens Community Academy	125,091	102,617
Windmill Hill Academy	76,555	75,054
Werrington Primary School	13,909	13,637
North Petherwin Primary School	11,988	11,753
St Catherine's C of E School	125,091	85,056
Lew Trenchard C of E Primary School	20,444	17,406
Coads Green Primary School	13,008	12,671
Princetown Community Primary School	13,988	-
TOTAL	400,074	318,194

13. 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, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: W Hermon: Remuneration £75,000 - £80,000 (2019: £70,000 - £75,000), Employer's pension contributions £15,000 - £20,000 (2019: £10,000 - £15,000), C Paul: Remuneration £10,000 - £15,000 (2019: £10,000 - £15,000), Employer's pension contributions £0 - £5,000 (2019: £0 - £5,000), T Woodward: Remuneration £5,000 - £10,000 (2019: £5,000 - £10,000), Employer's pension contributions £0 - £5,000 (2019: £0 - £5,000).

Other related party transactions involving the Trustees are set out in note 31.

During the year ended 31 August 2020, no Trustee expenses have been incurred (2019 - £NIL).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

14. 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 this insurance is included in the total insurance cost.

15. INTANGIBLE ASSETS

	Software £
COST	
At 1 September 2019	33,500
At 31 August 2020	<u>33,500</u>
AMORTISATION	
At 1 September 2019	33,500
At 31 August 2020	<u>33,500</u>
NET BOOK VALUE	
At 31 August 2020	<u>-</u>
At 31 August 2019	<u>-</u>

AN DARAS MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

16. TANGIBLE FIXED ASSETS

	Freehold property £	Long-term leasehold property £	Furniture and equipment £	Computer equipment £	Total £
COST					
At 1 September 2019	4,225,862	1,629,868	95,517	207,876	6,159,123
Additions	34,278	79,579	9,490	5,680	129,027
At 31 August 2020	4,260,140	1,709,447	105,007	213,556	6,288,150
DEPRECIATION					
At 1 September 2019	114,715	296,734	60,903	178,394	650,746
Charge for the year	61,976	31,420	23,495	7,285	124,176
At 31 August 2020	176,691	328,154	84,398	185,679	774,922
NET BOOK VALUE					
At 31 August 2020	4,083,449	1,381,293	20,609	27,877	5,513,228
At 31 August 2019	4,111,147	1,333,134	34,614	29,482	5,508,377

17. STOCKS

	2020 £	2019 £
Stock	8,524	4,733

18. DEBTORS

	2020 £	2019 £
Trade debtors	5,926	14,229
Other debtors	56,489	24,804
Prepayments and accrued income	726,809	186,489
VAT recoverable	157,115	50,647
	946,339	276,169

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade creditors	224,487	158,851
Other taxation and social security	57,113	53,188
Other creditors	76,365	62,810
Accruals and deferred income	124,673	110,918
	<u>482,638</u>	<u>385,767</u>
	2020 £	2019 £
DEFERRED INCOME		
Deferred income at 1 September 2019	68,366	72,726
Resources deferred during the year	72,989	68,366
Amounts released from previous periods	(68,366)	(72,726)
Deferred income at 31 August 2020	<u>72,989</u>	<u>68,366</u>

At the Balance Sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School Meals funding.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. STATEMENT OF FUNDS

	Balance at 1 September 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2020 £
UNRESTRICTED FUNDS						
General funds	178,466	439,118	(418,019)	-	-	199,565
RESTRICTED GENERAL FUNDS						
General Annual Grant	353,526	3,991,345	(3,928,780)	(8,378)	-	407,713
Start up Grant	-	25,000	(25,000)	-	-	-
High Needs	77	74,556	(74,633)	-	-	-
Pupil Premium	8,595	330,417	(347,390)	8,378	-	-
Sports and PE Grant	38,290	140,800	(107,731)	-	-	71,359
UIFSM	2,835	111,546	(114,381)	-	-	-
Other	-	363,219	(363,219)	-	-	-
Pension reserve	(1,738,000)	(130,000)	(305,000)	-	(584,000)	(2,757,000)
	(1,334,677)	4,906,883	(5,266,134)	-	(584,000)	(2,277,928)
RESTRICTED FIXED ASSET FUNDS						
Transfers on conversion	4,613,288	-	(80,487)	-	-	4,532,801
GAG/ Other fixed assets	37,251	-	(8,294)	-	-	28,957
DfE/ESFA Capital grants	198,883	66,240	(13,440)	-	-	251,683
Condition Improvement Fund	732,158	480,116	(15,188)	-	-	1,197,086
Other	25,104	-	(2,876)	-	-	22,228
Donations	16,664	-	(3,891)	-	-	12,773
	5,623,348	546,356	(124,176)	-	-	6,045,528
TOTAL RESTRICTED FUNDS	4,288,671	5,453,239	(5,390,310)	-	(584,000)	3,767,600
TOTAL FUNDS	4,467,137	5,892,357	(5,808,329)	-	(584,000)	3,967,165

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

20. STATEMENT OF FUNDS (CONTINUED)

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

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

Start up Grant - This represents one off funding received from the ESFA to contribute to the cost of converting from a school to an Academy Trust.

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

Pupil Premium - Pupil Premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address the current underlying inequalities between those children and their wealthier peers.

Sports & PE Grant – This represents funding received from the ESFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

UFSM - This represents funding for Universal Infant Free School Meals.

Pension reserve - This represents the Academy Trust'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.

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the school from the Local Authority on conversion to an Academy.

GAG/Other, DfE/ESFA Capital grants, Condition Improvement Fund - This represents funding from the DfE/ESFA and other restricted sources to cover the maintenance and purchase of the Academy Trust's assets. The balance equals the net book value of assets plus any unspent amounts.

Central office facilities - The Trustees reviewed the future plans of the Academy Trust and set aside funds for the contribution towards Academy Trust central office facilities.

Donations - This represents donations from outside of the Academy Trust for specific assets acquisitions.

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 it could carry forward at 31 August 2020.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

20. STATEMENT OF FUNDS (CONTINUED)

Total funds analysis by Academy

Fund balances at 31 August 2020 were allocated as follows:

	2020	2019
	£	£
St Stephens Community Academy	233,601	208,906
Windmill Hill Academy	46,407	85,852
Werrington Primary School	95,547	62,527
North Petherwin Primary School	17,163	4,261
St Catherine's C of E School	111,386	60,046
Lew Trenchard C of E Primary School	183,315	161,207
Coads Green Primary School	(54,877)	(26,114)
Central	25,103	25,104
Princetown	20,992	-
	<hr/>	<hr/>
Total before fixed asset funds and pension reserve	678,637	581,789
Restricted fixed asset fund	6,045,528	5,623,348
Pension reserve	(2,757,000)	(1,738,000)
	<hr/>	<hr/>
TOTAL	3,967,165	4,467,137
	<hr/> <hr/>	<hr/> <hr/>

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

	Deficit
	£
Coads Green	(54,877)
	<hr/> <hr/>

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

Coads Green is a small primary school and the Trust inherited a deficit on transfer into the Trust. The Trust addressed staffing structure changes in the year, and will continue to work towards a balanced budget, whilst ensuring there are sufficient resources and support from the Trust to enable to this 'Requires Improvement' school has sufficient resources and staffing to deliver improvements in outcomes.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. STATEMENT OF FUNDS (CONTINUED)

TOTAL COST ANALYSIS BY ACADEMY

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2020 £
St Stephens Community Academy	774,318	109,449	71,215	198,034	1,153,016
Windmill Hill Academy	678,292	72,140	68,988	107,352	926,772
Werrington Primary School	250,888	34,667	44,097	62,586	392,238
North Petherwin Primary School	196,832	37,240	46,496	72,521	353,089
St Catherine's C of E School	616,517	64,950	57,675	172,143	911,285
Lew Trenchard C of E Primary School	337,534	43,311	45,990	90,588	517,423
Coads Green Primary School	268,412	39,246	34,202	55,176	397,036
Central	134,214	175,062	1,919	91,527	402,722
Princetown	172,246	32,437	27,047	93,842	325,572
ACADEMY TRUST	3,429,253	608,502	397,629	943,769	5,379,153

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. STATEMENT OF FUNDS (CONTINUED)

Comparative information in respect of the preceding year is as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £
St Stephens Community Academy	743,233	103,495	85,503	171,585	1,103,816
Windmill Hill Academy	654,257	75,937	66,176	107,442	903,812
Werrington Primary School	259,063	34,451	26,175	60,203	379,892
North Petherwin Primary School	208,035	37,046	30,304	69,548	344,933
St Catherine's C of E School	563,418	65,325	56,045	162,937	847,725
Lew Trenchard C of E Primary School	310,116	41,638	46,834	86,998	485,586
Coads Green Primary School	260,015	40,906	30,582	77,286	408,789
Central	124,611	132,048	2,984	71,938	331,581
ACADEMY TRUST	3,122,748	530,846	344,603	807,937	4,806,134

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. STATEMENT OF FUNDS (CONTINUED)

Comparative information in respect of the preceding year is as follows:

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
UNRESTRICTED FUNDS						
General funds	232,912	429,092	(402,357)	(81,181)	-	178,466
RESTRICTED GENERAL FUNDS						
General Annual Grant	85,431	3,655,852	(3,342,622)	(45,135)	-	353,526
High Needs	-	58,219	(91,926)	33,784	-	77
Pupil Premium	66,395	299,078	(432,328)	75,450	-	8,595
Sports and PE Grant	17,187	155,480	(137,143)	2,766	-	38,290
UIFSM	-	109,184	(100,497)	(5,852)	-	2,835
Other	3,788	307,775	(299,258)	(12,305)	-	-
Pension reserve	(1,077,000)	-	(188,000)	-	(473,000)	(1,738,000)
	(904,199)	4,585,588	(4,591,774)	48,708	(473,000)	(1,334,677)

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

20. STATEMENT OF FUNDS (CONTINUED)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
RESTRICTED FIXED ASSET FUNDS						
Transfers on conversion	4,687,638	-	(74,350)	-	-	4,613,288
GAG/ Other fixed assets	38,197	-	(7,545)	6,599	-	37,251
DfE/ESFA Capital grants	104,592	88,302	(19,885)	25,874	-	198,883
Condition Improvement Fund	747,346	-	(15,188)	-	-	732,158
Other	36,959	-	(11,855)	-	-	25,104
Donations	-	19,525	(2,861)	-	-	16,664
	<u>5,614,732</u>	<u>107,827</u>	<u>(131,684)</u>	<u>32,473</u>	<u>-</u>	<u>5,623,348</u>
TOTAL RESTRICTED FUNDS	<u>4,710,533</u>	<u>4,693,415</u>	<u>(4,723,458)</u>	<u>81,181</u>	<u>(473,000)</u>	<u>4,288,671</u>
TOTAL FUNDS	<u><u>4,943,445</u></u>	<u><u>5,122,507</u></u>	<u><u>(5,125,815)</u></u>	<u><u>-</u></u>	<u><u>(473,000)</u></u>	<u><u>4,467,137</u></u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2020 £	Restricted funds 2020 £	Restricted fixed asset funds 2020 £	Total funds 2020 £
Tangible fixed assets	-	-	5,513,228	5,513,228
Current assets	682,203	479,072	532,300	1,693,575
Creditors due within one year	(482,638)	-	-	(482,638)
Provisions for liabilities and charges	-	(2,757,000)	-	(2,757,000)
TOTAL	<u>199,565</u>	<u>(2,277,928)</u>	<u>6,045,528</u>	<u>3,967,165</u>

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NOTES TO THE FINANCIAL STATEMENTS
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21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	5,508,377	5,508,377
Current assets	178,467	789,090	114,971	1,082,528
Creditors due within one year	-	(385,767)	-	(385,767)
Provisions for liabilities and charges	-	(1,738,000)	-	(1,738,000)
TOTAL	178,467	(1,334,677)	5,623,348	4,467,138

22. RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2020 £	2019 £
Net income/(expenditure) for the period (as per Statement of Financial Activities)	84,028	(3,308)
ADJUSTMENTS FOR:		
Depreciation charges	124,176	131,684
Interest received	(424)	(537)
Decrease/(Increase) in stocks	(3,791)	18,173
Decrease/ (increase) in debtors	(670,170)	(47,580)
(Decrease)/ increase in creditors	96,871	46,896
Capital grants from DfE and other capital income	(546,356)	(88,302)
Defined benefit pension scheme cost less contributions payable	398,000	157,000
Defined benefit pension scheme finance cost	37,000	31,000
NET CASH (USED IN)/PROVIDED BY OPERATING ACTIVITIES	(480,666)	245,026

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

23. CASH FLOWS FROM INVESTING ACTIVITIES

	2020	2019
	£	£
Interest from investments	424	537
Purchase of tangible fixed assets	(129,027)	(493,619)
Capital grants from DfE Group	546,356	88,302
NET CASH PROVIDED BY/(USED IN) INVESTING ACTIVITIES	417,753	(404,780)

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2020	2019
	£	£
Cash at bank and in hand	738,712	801,625

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 September 2019 £	Cash flows £	At 31 August 2020 £
Cash at bank and in hand	801,625	(62,913)	738,712
	801,625	(62,913)	738,712

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020

26. CONVERSION TO AN ACADEMY TRUST

On 1st October Princetown Community Primary School joined the Trust converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to An Daras Multi Academy Trust from Devon County Council for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate heading with a corresponding net amount recognised as a net gain in the Statement of Financial Activities as Income from Donations and Capital Grants - transfer from local authority on conversion.

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

	Unrestricted funds £	Restricted funds £	Total funds £
CURRENT ASSETS			
Cash - representing budget surplus on other school funds	8,237	-	8,237
Defined benefit scheme pension liability	-	(130,000)	(130,000)
	<u>8,237</u>	<u>(130,000)</u>	<u>(121,763)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

27. PENSION COMMITMENTS

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme 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 County Council and Devon County Council. Both are multi-employer defined benefit schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2019 and of the LGPS 31 March 2019.

Contributions amounting to £75,410 were payable to the schemes at 31 August 2020 (2019 - 61,500) and are included within creditors.

TEACHERS' PENSION SCHEME

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pension Scheme Regulations 2014. Membership is automatic for full-time teachers in academies. All teachers have the option to opt-out of the TPS following enrolment.

The TPS is an unfunded scheme to which both the member and employer makes contributions, as a percentage of salary - these contributions are credited to the Exchequer. Retirement and other pension benefits are paid by public funds provided by Parliament.

VALUATION OF THE TEACHERS' PENSION SCHEME

The Government Actuary, using normal actuarial principles, conducts a formal actuarial review of the TPS in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury every 4 years. 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 2016. The valuation report was published by the Department for Education on 5 March 2019. The key elements of the valuation and subsequent consultation are:

- employer contribution rates set at 23.68% of pensionable pay (including a 0.08% administration levy)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £218,100 million and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £196,100 million, giving a notional past service deficit of £22,000 million
- the SCAPE rate, set by HMT, is used to determine the notional investment return. The current SCAPE rate is 2.4% above the rate of CPI, assumed real rate of return is 2.4% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.2%. The assumed nominal rate of return including earnings growth is 4.45%.

The next valuation result is due to be implemented from 1 April 2023.

The employer's pension costs paid to TPS in the year amounted to £417,171 (2019 - £282,171).

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website (<https://www.teacherspensions.co.uk/news/employers/2019/04/teachers-pensions-valuation-report.aspx>).

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

NOTES TO THE FINANCIAL STATEMENTS
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27. PENSION COMMITMENTS (CONTINUED)

LOCAL GOVERNMENT PENSION SCHEME

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2020 was £294,000 (2019 - £272,000), of which employer's contributions totalled £234,000 (2019 - £217,000) and employees' contributions totalled £ 60,000 (2019 - £55,000). The agreed contribution rates for future years are 15.4 per cent for employers and 5.5-12.5 per cent for employees.

As described in note 26 the LGPS obligation relates to the employees of the Academy Trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the Scheme in the year. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the Academy Trust at the Balance Sheet date.

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

	2020	2019
	%	%
Discount rate for scheme liabilities	1.70	1.90
Rate of increase in salaries	2.29	2.46
Rate of increase for pensions in payment/inflation	2.20	2.29

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

	2020	2019
	Years	Years
<i>Retiring today</i>		
Males	21.4 - 22.9	21.1 - 22.5
Females	23.6 - 24.1	23.6 - 24.4
<i>Retiring in 20 years</i>		
Males	22.3 - 24.3	22.3 - 24.2
Females	25.1 - 25.5	25.0 - 26.2

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27. PENSION COMMITMENTS (CONTINUED)

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

	2020 £	2019 £
Equities	1,623,000	1,475,000
Gilts	965,000	1,033,000
Property	178,000	196,000
Cash and other liquid assets	55,000	28,000
Other	59,000	31,000
TOTAL MARKET VALUE OF ASSETS	2,880,000	2,763,000

The actual (loss)/return on scheme assets was £(221,000) (2019 - £290,000).

The amounts recognised in the Statement of Financial Activities are as follows:

	2020 £	2019 £
Current service cost	(502,000)	(366,000)
Past Service Cost	-	(8,000)
Interest Income	56,000	65,000
Interest Cost	(93,000)	(96,000)
TOTAL AMOUNT RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES	(539,000)	(405,000)

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

	2020 £	2019 £
AT 1 SEPTEMBER 2019	4,501,000	3,286,000
Current service cost	502,000	366,000
Interest cost	93,000	96,000
Employee contributions	60,000	55,000
Actuarial losses	307,000	698,000
Benefits paid	(38,000)	(8,000)
Past service costs	-	8,000
Liability transferred on conversion	212,000	-
AT 31 AUGUST 2020	5,637,000	4,501,000

**AN DARAS MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

27. PENSION COMMITMENTS (CONTINUED)

Changes in the fair value of the Academy Trust's share of scheme assets were as follows:

	2020 £	2019 £
AT 1 SEPTEMBER 2019	2,763,000	2,209,000
Interest income	56,000	65,000
Actuarial gains	(277,000)	225,000
Employer contributions	234,000	217,000
Employee contributions	60,000	55,000
Benefits paid	(38,000)	(8,000)
Asset transferred on conversion	82,000	-
AT 31 AUGUST 2020	2,880,000	2,763,000

28. OPERATING LEASE COMMITMENTS

At 31 August 2020 the Academy Trust had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020 £	2019 £
Amounts payable		
Within 1 year	52,158	31,633
Later than 1 year and not later than 5 years	142,620	91,854
Later than 5 years	417,667	244,833
	612,445	368,320

29. GENERAL INFORMATION

An Daras Multi Academy Trust is a company limited by guarantee, company number 08156955, incorporated in England and Wales. The registered office is Unit 4 Tamar Business Park, Pennygillam Way, Pennygillam Industrial Estate, Launceston, Cornwall, England, PL15 7ED.

30. 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.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020**

31. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which the Trustees have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the requirements of the Academies Financial Handbook, including notifying the ESFA of all transactions made on or after 1 April 2019 and obtaining their approval where required, and with the Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

No related party transactions took place in the period of accounts, other than the Trustee's remuneration and expenses as disclosed in note 13.

32. CONTROLLING PARTY

The Trust is under the control of its Members. There is no ultimate controlling party.