



Tollbar Multi Academy Trust
(A company limited by guarantee)
Annual Report and Financial Statements
31 August 2018

Tollbar Multi Academy Trust

Contents

Reference and Administrative Details	1 to 2
Report of the Trustees	4 to 49
Governance Statement	50 to 54
Statement on Regularity, Propriety and Compliance	55
Statement of Trustees' Responsibilities	56
Independent Auditor's Report on the Financial Statements	57 to 59
Independent Reporting Accountant's Report on Regularity	60 to 61
Statement of Financial Activities incorporating Income and Expenditure Account	62
Balance Sheet	63
Statement of Cash Flows	64
Notes to the Financial Statements	65 to 92

Tollbar Multi Academy Trust

Reference and Administrative Details

Members

Mrs J Aukett

Mr P Bond

Mr A Else

Mr M D Chilvers (appointed 18 October 2018)

Mr M L Draper (appointed 18 October 2018)

Trustees (Directors)

Mr P Bond (Chair)

Mrs J Aukett (Vice Chair)

Mr P Cornford

Mr A Else

Mr D J Hampson OBE

Mr S Woolsey

Mrs A Manders

Mrs E Conolly (resigned 29 May 2018)

Ms G Alton

Company Secretary

Mr G Taylor

Senior Management Team

Mr D J Hampson, OBE, CEO

Mr M J Brown, Deputy CEO

Mrs A H Hampson, CFO

Mr B Briggs, HRO

Mr K N Blake, ICO

Principal and Registered Office

Station Road
New Waltham
Grimsby
N E Lincolnshire
DN36 4RZ

Registration Number

08085503

Tollbar Multi Academy Trust

Reference and Administrative Details (continued)

Auditor

Smailes Goldie
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

Bankers

HSBC Bank PLC
53 Victoria Street
Grimsby
N E Lincolnshire
DN31 1UX

Solicitors

Wilkin Chapman
PO Box 16
Town Hall Square
Grimsby
N E Lincolnshire
DN31 1HE

Tollbar Multi Academy Trust

Acronyms used in the Financial Statements for the year ended 31 August 2018

BA	Business Arrangements
BP	Business Plan
CA	Cleethorpes Academy
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CXA	Cordeaux Academy
DCEO	Deputy CEO
DfE	Department for Education
ESFA	Education & Skills Funding Agency
EH	Executive Headteacher
HRO	Human Resources Officer
ICO	Information & Communications Officer
KD	Key Deliverable
LA	Louth Academy
LGB	Local Governing Body
MAT	Multi Academy Trust
OfSTED	Office for Standards in Education
MO	MAT Officer
PA	Pilgrim Academy
RA	Reynolds Academy
RMP	Risk Management Plan
RO	Resources Officer
SA	Somercotes Academy
SAA	Senior Academy Administrator
SDO	Staff Development Officer
SEF	Self-Evaluation Form
SLT	Senior Leadership Team
TA	Theddlethorpe Academy
TBA	Tollbar Academy
TMAT	Tollbar Multi Academy Trust

Tollbar Multi Academy Trust

Report of the Trustees for the year ended 31 August 2018

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the period 1 September 2017 to 31 August 2018. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Multi Academy Trust operates three primary and five secondary academies (three of which include a sixth form), four in North East Lincolnshire and four in Lincolnshire. Its academies have a combined pupil capacity of 6132 and had a roll of 4999 in the school census on June 2018. *The PAN of Monks' Dyke Tennyson College (now Louth Academy) was 1000 but Number on Roll was 384.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Multi Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the Multi Academy Trust. The Trustees of Tollbar Multi Academy Trust (also known as Tollbar Family of Academies - TFA) are also the directors of the charitable company for the purposes of company law. The charitable company is known as the Tollbar Family of Academies.

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

Members' Liability

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

Method of Recruitment and Appointment or Election of Trustees

Members of the company, trustees and governors of the constituent academies are appointed as set out in the articles of association and Business Arrangements.

Policies and Procedures Adopted for the Induction and Training of Trustees

The vice-chair of the Trust has responsibility for trustee induction and training.

Organisational Structure

The constitution of the Board of Directors, and of constituent academies, is set out in the articles of association and in the Business Arrangements, a document that sets out in clear terms the schemes of delegation and how decisions are made. Trustees appoint a Chief Executive to assure the strategic intentions of the Multi Academy Trust. The Chief Executive is a director of the Multi Academy Trust. Trustees appoint Principals to take responsibility for the day-to-day management of constituent academies. Trustees appoint a secretary to the Board and a clerk to each of the governing bodies of constituent academies.

Responsibilities and Functions of the Board

Tollbar Multi Academy Trust is a company limited by guarantee established to fulfil its objects of association, which make explicit reference to the maintaining, managing and developing of its constituent academies.

Tollbar Multi Academy Trust is regulated by its Articles of Association, the Master Funding Agreement and the Supplemental Funding Agreements related to the organisation's constituent academies. In addition, Tollbar Multi Academy Trust is bound by the statutory and regulatory guidance set out in the Academies Financial Handbook.

The Board of Directors is responsible for:

1. ensuring the quality of educational provision and outcomes
2. keeping under review the performance of each constituent academy
3. managing the Trust's finances and property
4. ensuring compliance with charity and company law
5. ensuring compliance with the Articles of Association, the Funding Agreement and the statutory and regulatory guidance set out in the Academies Financial Handbook
6. employing staff

Key Functions of the Board are to:

- Develop and keep under review the strategic vision of the Trust
- Consider and incorporate new constituent academies
- Appoint and set the pay and conditions of service of a clerk to the Board of Directors who also acts as Secretary to the Members of the Trust
- Establish a structure and terms of reference for committees of the Board and the Local Governing Bodies
- Develop and keep under review the annual business plan for the Trust
- Appoint a Chief Executive Officer
- Appoint an external auditor
- Put in place such internal audit measures as are necessary to assure internal control in accordance with the requirements of the Education & Skills Funding Agency
- Devolve funding to constituent academies
- Act as the admission authority on behalf of the constituent academies
- Monitor and collect reports of the income and expenditure of the constituent academies
- Produce collated Trust-wide accounts and compile the annual report in accordance with the Articles of Association
- Act as the point of purchase for all goods and service across the whole organisation
- Manage the estate that is leased to or owned by the Trust
- Develop and implement a Trust-wide ICT strategy
- Through managing the Principals of each constituent academy, hold managers and Governors to account for the quality of educational provision and educational outcomes of children and young people
- Recruit, employ (and dismiss where necessary) staff
- Develop and publish Trust-wide policies (eg admissions, complaints, exclusions, pay and performance, health and safety...)
- Monitor and ensure the publication of local procedures for constituent academies (eg financial, self-evaluation, development planning, purchasing, admissions, exclusions ...)
- Establish independent committees for any admissions or exclusions appeals across all constituent academies
- Keep under review the effectiveness of the work of the Trust.

**Report of the Trustees – continued
for the year ended 31 August 2018**

The Multi Academy Trust has the following committees and governing bodies in place:

<p>FINANCE COMMITTEE</p>	<p>Mrs J Aukett Mr A Else Chair Mr D J Hampson, OBE Mr S Woolsey Vice Chair Non Director Committee Members: Mrs J Hornby Mrs J Freeman (appointed 20 February 2018)</p>	<p>QUORUM: 3 DELEGATED POWERS: Yes</p>
<p>AUDIT COMMITTEE</p>	<p>Mr P Bond Chair Mr P Cornford Mr A Else</p>	<p>QUORUM: 3 DELEGATED POWERS: Yes</p>
<p>PERSONNEL COMMITTEE</p>	<p>Ms G Alton Mrs J Aukett Mr P Bond Ms E Conolly (resigned 29 May 2018) Mr P Cornford Mr A Else Mr D J Hampson, OBE Mrs A Manders Mr S Woolsey</p>	<p>QUORUM:3 DELEGATED POWERS: Yes</p>
<p>ADMISSIONS COMMITTEE</p>	<p>Ms G Alton Mrs J Aukett Mr P Bond Ms E Conolly (resigned 29 May 2018) Mr P Cornford Mr A Else Mr D J Hampson, OBE Mrs A Manders Mr S Woolsey</p>	<p>QUORUM: 3 DELEGATED POWERS: Yes</p>
<p>COMPLAINTS COMMITTEE</p>	<p>Ms G Alton Mrs J Aukett Mr P Bond Ms E Conolly (resigned 29 May 2018) Mr P Cornford Mr A Else Mr D J Hampson, OBE Mrs A Manders Mr S Woolsey</p>	<p>QUORUM: 3 DELEGATED POWERS: Yes</p>
<p>PAY AND PERFORMANCE COMMITTEE</p>	<p>Mrs J Aukett Chair Mr P Cornford Mr A Else Vice Chair</p>	<p>QUORUM: 3 DELEGATED POWERS: Yes</p>

CONSTITUENT ACADEMY LOCAL GOVERNING BODIES

TOLLBAR ACADEMY	Mr P Bond Chair Mrs J Aukett Mr G Hammond Mrs M Mathews (deceased – 29 January 2018) Mr N Middleton Mr S E Moon Mrs M Clayton (resigned 11 December 2017) Mrs J Freeman (appointed 2 May 2018) Mr M Shadbolt (appointed 5 June 2018)	QUORUM: 3 DELEGATED POWERS: Yes
CLEETHORPES ACADEMY	Mr P Bond Mrs J Aukett Mr K Blake Ms E Conolly (resigned 29 May 2018) Mr M Draper Ms Z Nixon Mrs J Hornby Mrs D Taylor Mr J Read	QUORUM: 3 DELEGATED POWERS: Yes
REYNOLDS ACADEMY	Mrs J Aukett Mrs J Begley Miss L Ciechanowski Mrs T Garside Mrs A Manders Mrs S Raven	QUORUM: 3 DELEGATED POWERS: Yes
SOMERCOTES ACADEMY AND THEDDLETHORPE ACADEMY	Mr P Bond Cllr R Palmer Mr W Porter Mr J Stokes Mr R Coleman (appointed 14 November 2017)	QUORUM: 3 DELEGATED POWERS: Yes
PILGRIM ACADEMY	Mr P Bond Chair Mrs K Bevers Mr W Weir Mrs E Bell	QUORUM: 3 DELEGATED POWERS: Yes
LOUTH ACADEMY IEB (from 1 September 2017)	Mr P Bond Chair Mrs J Aukett Mr D J Hampson Mr M Brown Mrs J Freeman (appointed 2 May 2018)	QUORUM: 3 DELEGATED POWERS: Yes

Arrangements for Setting Pay and Remuneration of Key Management Personnel

Arrangements are set out in the Trust's Business Arrangements. See extract below.

1. To formulate and keep under review a pay policy that observes all statutory and contractual obligations and which meets the needs of recruitment, retention and development of staff.
2. To receive reports from the CEO on the performance and pay of all staff in accordance with the Performance Management Policy and Procedures.
3. To receive recommendations from the CEO in relation to pay and performance of Principals of constituent academies and any members of staff where the CEO may have a pecuniary interest.

NB The remuneration of the CEO and CFO is determined by the Members of the Trust.

Trade Union Facility Time

Relevant union officials

Number of employees who were relevant union officials during the relevant period	Full-time equivalent employee number
3	3

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	3
1%-50%	0
51%-99%	0
100%	0

Percentage of pay bill spent on facility time

Provide the total cost of facility time	Nil
Provide the total bill	N/A
Provide the percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	N/A

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	Nil
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Related Parties and Other Connected Charities and Organisations

NB Tollbar Multi Academy Trust has formed five Local Governing Bodies, acting as committees of the Trust (see above) in respect of its eight constituent academies, Tollbar Academy, Cleethorpes Academy, Reynolds Academy, Somercotes Academy, Theddlethorpe Academy, Pilgrim Academy, Louth Academy and Cordeaux Academy.

OBJECTIVES AND ACTIVITIES

Objectives and Aims

The company operates for charitable purposes to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools which offer a broad and balanced curriculum.

Objectives, Strategies and Activities

Details of the Multi Academy Trust objectives, strategies and activities are included below within the Strategic Report section of the Report of the Trustees 2017/2018.

Public Benefit

The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their powers or duties. The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Multi Academy Trust's objectives and aims and in planning future activities. Given the activities in the Multi Academy Trust and the student population that it services, the Trustees consider that the Trust's aims are demonstrably to the public benefit.

Tollbar Multi Academy Trust

**Report of the Trustees
for the year ended 31 August 2018**

Strategic Report (Achievement and Performance and Key Performance Indicators)

2017 – 2018 MAT Business Plan



Tollbar MAT
Family of Academies

BUSINESS PLAN

2017 – 2018

REVIEWED



AN ANNUAL BUSINESS PLAN INFORMED BY THE FUTURE AS WELL AS THE PAST

SELF EVALUATION

At Academy and then whole Trust level;
derived from analyses of data,
recent stakeholder feedback &
performance management information

STRATEGIC PLAN

which clearly articulates a
long-term view of the
organisation, factoring in
community aspirations
and national trends

KEY DELIVERABLES

based on accurate &
detailed start positions
& ambitious / upper-quartile
minimum expectations

BUSINESS PLAN

What are our priorities
What we are going to do this year

PARAMETERS

calculating accurate
resource availability
& evaluating statutory frameworks
to determine possibilities

EVALUATION OF LAST YEAR'S PLAN

At Academy level and then Trust-wide
which takes out completed actions,
adjusts those that are incomplete &
reforms or aborts those that failed to deliver

RISK ASSESSMENT

which identifies exogenous
& endogenous threats to
existing quality, controls &
continuous improvement

EXTERNAL INSPECTIONS AND REVIEWS

Performance management through the year assures the success of the business plan

INTRODUCTION

The core purpose of Tollbar Multi Academy Trust is continually to improve provision and learner outcomes across the Tollbar Family of Academies. This annual business plan sets out how this core purpose will be achieved. It is an enabling plan – enabling constituent academies to focus and deliver on their first responsibility to improve standards.

It is informed by:

- The commitment statement of the Chief Executive
- The MAT's strategic plan
- The evaluations of the performance in each constituent academy and their proposed priorities and actions for improvement (CLE, LOU, PIL, REY, SOM, THE & TOL)
- The evaluation of the previous MAT annual plan
- Recommendations made in external reviews and inspections of the constituent academies (CLE, LOU, PIL, REY, SOM, THE & TOL)
- The evaluation of the previous MAT annual plan

And set in the context of our policies, available for public scrutiny set out on:

- Our website

To deliver on our core purpose of improving educational standards and outcomes across our family of academies, we have chosen the following five priorities for action:

- To assure the effectiveness of constituent academies
- To provide effective support services to the academies
- To maintain the highest quality of internal controls
- To develop the sustainability, effectiveness and outreach of the MAT
- To ensure health and safety in all settings
- To incorporate MDTC and Cordeaux into the MAT and combine them to form an effective non-selective Louth Academy

Within each priority area we have specified:

- The reasons for choosing this particular priority
- The key areas of activity
- The key end-of-year deliverables, preceded by the current position
- The risks to the achievement of the KD's

This plan informs:

- The performance objectives for the CEO and top tier Executive Team
- The risk management plan
- The detailed plans of the MAT Executive Team and Academy Principals

David Hampson
Chief Executive Officer
October 2017

MAT 1 ASSURE THE EFFECTIVENESS OF CONSTITUENT ACADEMIES

RATIONALE

The core purpose of Tollbar Multi Academy Trust is to improve the educational outcomes and life chances of young people. Executive Principals (as school improvers) on the MAT Executive Team have been deployed to very good effect to 'new academies' and 'academies in need'. There is a need to ensure that the school improvement function is maintained on the MAT central team so that the educational impact of decisions is always taken into account. Constituent academies need to develop autonomous improvement strategies and collaborate to share successful practices. Priority 6 focuses specifically on the new schools from Louth.

ACTIONS

- a. Schedule regular meetings so that Academy Principals meet with the Senior Executive Team to update on progress and issues [CEO] **COMPLETED**
- b. Keep the LGB accountability meetings aligned with the academy cycle of termly recording and reporting progress [CEO] **COMPLETED**
- c. Use the MAT-Academy regular meetings to identify and transfer successful practices across academies [DCEO] **COMPLETED**
- d. Schedule a MAT-wide staff development programme that is informed by academy priorities and identified staff needs [HRO] **STARTED**
- e. Ensure academies apply consistent and accurate approaches to the evaluation of teaching and learning [DCEO] **COMPLETED**
- f. Provide appropriate resources to meet need and benefit learning in the academies [CEO] **COMPLETED**
- g. Arrange an annual working weekend for the Executive Team with Senior Leaders from all constituent academies to review and evaluate last year's outcomes and plan for the next year [CEO] **COMPLETED**

RISKS

- I. Staff shortages and changes at academy level inhibit performance
- II. Key personnel leave or are absent
- III. Academy improvement strategies stall
- IV. Changes in ways attainment and progress are measured and reported
- V. Further changes to the way Ofsted judges schools
- VI. Changes to student entry profiles
- VII. Change in the local and national educational landscape
- VIII. Business interruption at the centre or constituent academies
- IX. Ineffective leadership of an academy
- X. Procedural slippage within the academies

[Click here for risk matrix and mitigation](#)

KEY DELIVERABLES

WHERE WE WERE IN AUGUST 2017

- a) Established academies: TOL outstanding CLE, REY Good. Consultant confirms SOM good
- b) New academies: LOU inadequate. Consultant confirms PIL & THD as RI
- c) Exec Principals in place at PIL & LOU to drive improvement
- d) TOL, CLE, SOM, REY & THD have adopted and embedded phase-related TFA common approaches to improving progress to good effect

WHERE WE WILL BE BY AUGUST 2018

- a) All academies are judged by Ofsted inspectors/consultants as at least good or at least improving
- b) Overall progress rates by KS2/ KS4 at all academies have improved on previous year
- c) There are sufficient leaders to be designated as P, VP and AP across all academies
- d) All academies have adopted phase-related TFA common approaches to improving progress

MAT 2 PROVIDE EFFECTIVE SUPPORT SERVICES TO THE ACADEMIES

RATIONALE

A strength of Tollbar Multi Academy Trust is the strategic and responsive provision of excellent support services from the centre to its constituent academies. From the academy side, this frees up academy-based senior leaders with their senior leadership teams to focus on the core business of raising standards. From the MAT side, this facilitates a control on the work of the constituent academies. Evaluation of the last four years' plans shows this work to be effective.

ACTIONS

- a. Evaluate and keep under review all support services [CEO+CFO]
COMPLETED
- b. Recruit staff and provide training and HR services to academies [HRO+DHRO]
COMPLETED
- c. Provide finance services to academies [CFO] **COMPLETED**
- d. Provide core administrative services to academies [CFO] **COMPLETED**
- e. Provide IT services to academies [ICO]
- f. Provide resource management services to academies [RO] **COMPLETED**
- g. Provide estates management services to academies [RO] **COMPLETED**
- h. Provide curriculum, timetabling and data services to academies [MO]
COMPLETED
- i. Provide marketing and PR services to academies [SDO] **COMPLETED**
- j. Clarify and update the procedures which define which tasks should be undertaken at academy level and not at the centre [DCEO] **COMPLETED**

RISKS

- I. Service area leaders leave
- II. Errors or delays in service provision affect the smooth running of academies
- III. Inability to recruit or retain staff with expertise in service areas
- IV. Service provision found wanting in an external inspection or review of an academy
- V. HR litigation
- VI. Inadequate legal advice
- VII. Business Interruption at the centre
- VIII. Insufficient capacity at the centre to respond quickly to academy needs
- IX. Poor value for money
- X. Ineffective control at academy level

[Click here for risk matrix and mitigation](#)

KEY DELIVERABLES

WHERE WE WERE IN AUGUST 2017

- a. Support services to academies have contributed to continuous improvement
- b. No adverse comment made on service provision in any external academy report
- c. MAT accounts are in credit
- d. Working and learning environments have improved over the year

WHERE WE WILL BE BY AUGUST 2018

- a) Support services to academies have contributed to continuous improvement
- b) There is evidence to show how service provision has a direct impact on improved rates of learner progress
- c) MAT accounts are in credit
- d) Working and learning environments have improved over the year

MAT 3 MAINTAIN THE HIGHEST QUALITY OF INTERNAL CONTROLS

RATIONALE

Audits of controls and risk management have consistently been unqualified. Changes to reporting and governance required by the Education Funding Agency have been accommodated without interruption to academy service provision. Whilst the purpose of the MAT is to raise standards in academies, the proper custodianship and effective use of public funds will always be a priority of a good MATs business plan.

ACTIONS TO ACHIEVE KEY DELIVERABLES

- a. Construct a new risk management plan which relates to this business plan [CEO] **COMPLETED**
- b. Design the 2017-18 programme for internal audit taking into account any recommendations from the external auditors [Chair of Board] **COMPLETED**
- c. Benchmark key financial indicators and key educational measures to ascertain the MAT's position nationally & VfM and report to the Board [CEO+DCEO] **COMPLETED**
- d. Keep the MAT's financial procedures/regulations under review to reflect changes to conduct and reporting requirements [CFO] **COMPLETED**
- e. Keep the principal risks, particularly student numbers and consequent income, under review [CEO+CFO] **COMPLETED**
- f. Ensure up-to-date asset management planning and reporting [RO] **COMPLETED**
- g. Evaluate and keep under review the MAT's compliance requirements and governance arrangements [CEO] **COMPLETED**
- h. Use the Intranet to ensure all policies and procedures are accessible to all staff [CFO/ICO] **COMPLETED**

KEY DELIVERABLES

WHERE WE WERE IN AUGUST 2017

- a) All internal and external audit reports are unqualified
- b) Any ESFA/ ICO investigations and reviews find no causes for concern
- c) All reports for ESFA, Charity Commission, Companies House and DfE are accurate, approved by the Board, and filed on time
- d) No issues of non-compliance reported and review of governance planned

RISKS TO ACHIEVING KEY DELIVERABLES

- I. Leaders of Service areas leave
- II. Inability to recruit or retain staff with expertise in service areas
- III. Changes to ESFA requirements
- IV. Business interruption especially IT breakdown
- V. Breaches of security and confidentiality or data control
- VI. Insufficient financial expertise at director level
- VII. Undetected accounting errors
- VIII. Theft or fraud
- IX. Conflicts of interest not declared
- X. Audit sampling misses errors
- XI. Undetected misinterpretation of financial regulations
- XII. Student numbers (and income) fall or funding formula alters

[Click here for risk matrix and mitigation](#)

WHERE WE WILL BE BY AUGUST 2018

- a) All internal and external audit reports are unqualified
- b) Any ESFA/ICO investigations and reviews find no causes for concern
- c) All reports for ESFA, Charity Commission, Companies House and DfE are accurate, approved by the Board, and filed on time
- d) MAT is compliant in all areas and governance arrangements are good

MAT 4 DEVELOP THE SUSTAINABILITY, EFFECTIVENESS & OUTREACH OF THE MAT

RATIONALE

An ambition of the Trust is to share its proven successes in raising achievement to benefit learners across the region. Expansion in itself brings risks to existing methods of achieving these successes. Mitigating these risks includes formalising the accountability of local governing bodies to the Board so that emerging concerns are noticed and addressed. In addition, there is a risk that new or struggling academies in the Tollbar MAT Family make demands on resources that adversely affect other family members. The defining of TMat by DfE as an academy hub accorded with the views of the Board on remaining locality based.

ACTIONS

RISKS

- | | |
|--|---|
| <p>a. Schedule for 2017-18 the 'challenge' meetings for Directors to meet LGBs to review progress towards academy KDs and report back to CEO [Chair of Board] NOT STARTED</p> <p>b. Provide training to ensure governors are able to interpret statistics, understand current inspection requirements and up to date with any new issues [DCEO] NOT STARTED</p> <p>c. Undertake due diligence and establish the business case before adopting any new academies into the Trust [CEO] COMPLETED</p> <p>d. Undertake impact assessments before deploying staff and resources from one academy to another [CEO] NOT STARTED</p> <p>e. Ensure all constituent academies are "growing" leaders in anticipation of taking leadership roles in new academies [DCEO] COMPLETED</p> <p>f. Have due regard to maintaining good governance in any organisational change [CEO] COMPLETED</p> <p>g. Give consideration to new sponsorship possibilities offered by the RSC [CEO] COMPLETED</p> | <p>I. LGB unable to respond to challenges from the Board</p> <p>II. Local issues not adequately presented to the Board</p> <p>III. Inability to recruit governors</p> <p>IV. Newly adopted academies threaten VfM across the MAT</p> <p>V. Overall disbenefits outweigh benefits when staff and/or resources are redeployed</p> <p>VI. Change in the local and national landscape</p> |
|--|---|

[Click here for risk matrix and mitigation](#)

KEY DELIVERABLES

WHERE WE WERE IN AUGUST 2017

WHERE WE WILL BE BY AUGUST 2018

- | | |
|--|--|
| <p>a. Evidence of the Board holding LGBs to account for academy performance</p> <p>b. Business cases for prospective academies are made and presented</p> <p>c. The MAT was able over the year to place experienced leaders into its new academies</p> <p>d. 6 constituent academies</p> | <p>a) Agenda and minutes of the Board prove challenge to LGBs</p> <p>b) A formal procedure for presenting business cases is in place</p> <p>c) The MAT, over the year, ensured competent senior leadership at its new academies</p> <p>d) An increase in the number of academies while retaining MAT viability</p> |
|--|--|

MAT 5 ENSURE HEALTH AND SAFETY IN ALL SETTINGS

RATIONALE

Whilst the core purpose of Tollbar Multi Academy Trust is to improve the educational outcomes and life chances of young people (see MAT1), the first duty of this organisation is to assure the safety of all those who work and learn with us. Tollbar MAT understands the imperative of compliance with all H&S regulations and requirements and this is assured by the Health & Safety Committee regularly updating of policies and procedures informed by site audits and inspections. This section of the business plan schedules these key activities. We strive to be an organisation that goes further than following rules through its policies and procedures to an organisation that demonstrates its commitment to H&S through its ethos.

ACTIONS

RISKS

a) Given the legal responsibilities of the HSC, ensure its membership, terms of reference and individual responsibilities are published [HSC] STARTED	I. A serious H&S incident occurs before responsibilities and accountabilities have been finalised
b) Ensure that the latest policy is translated into appropriate academy-level procedures [HSC] COMPLETED	II. H&S information and training has not reached all staff
c) Make clear who has responsibility for what at both MAT and Academy levels and show lines of accountability [HSC] STARTED	III. Site audits fail to recognise a H&S risk
d) Provide training for those at the Centre and those in Academies on how they must discharge their H&S responsibilities [HSC] STARTED	IV. External environmental shock affects student and/or staff safety
e) Devise and publish an annual schedule for H&S checks, audits and inspections identifying the persons responsible [HSC] ONGOING	V. Internal communication failure inhibits H&S management systems
f) Make available MAT-wide templates for H&S inspecting and reporting [HSC] STARTED	VI. Data breach
g) maintain a MAT-wide Intranet as a repository for all H&S policies, procedures and reports [ICO/CFO] COMPLETED	

[Click here for risk matrix and mitigation](#)

KEY DELIVERABLES

WHERE WE WERE IN AUGUST 2017

WHERE WE WILL BE BY AUGUST 2018

a. The last external H&S audit includes 3 high and 5 medium priority level recommendations on documentation	a) External H&S audit includes no high priority level recommendations
b. There have been no serious H&S breaches over the last 12 months	b) There have been no serious H&S breaches over the past 12 months
c. The MAT H&S policy has been reviewed in the last year	c) The MAT H&S policy has been reviewed and approved by the Board in the last 12 months
d. A MAT-wide Intranet holds all MAT policies and is accessible to most staff	d) There is a single common and MAT-wide accessible Intranet for all MAT policies
	e) All staff are trained in H&S procedures

MAT 6 INCORPORATE MDTC AND CORDEAUX INTO THE MAT AND COMBINE THEM TO FORM AN EFFECTIVE NON-SELECTIVE LOUTH ACADEMY

RATIONALE

Until the start of this academic year Monks Dyke Tennyson College was an 11-18 Foundation College judged inadequate by Ofsted in September 2016. Cordeaux Academy was an 11-18 converter academy sponsored by the Academies Enterprise Trust and judged by Ofsted in December 2015 as requiring improvement. On September 1st, 2017 both these schools are joining Tollbar MAT. The priority in the short run is to take whatever necessary action to improve the quality of provision in order improve student outcomes in both schools. In the medium run, over the year, the priority is to undertake such actions that prepare both schools to open as one in September 2018. The MAT will focus its expertise on both these priorities, building partnerships with others to ensure the full range of high quality 11-18 learning opportunities is offered to the Louth community.

ACTIONS

RISKS

<p>a) Finalise all legal matters relating to the incorporation <u>CEO</u> COMPLETED</p> <p>b) Do whatever necessary to ensure TMAT SMT personnel are leading, influencing and guiding the new academies at the year start <u>[CEO]</u> COMPLETED</p> <p>c) Do whatever necessary to ensure that the TMAT presence is enhanced and embedded at all levels <u>CEO</u> COMPLETED</p> <p>d) Write one business plan for both academies to demonstrate how educational improvements will be delivered over the first year <u>[DCEO]</u> UNDERWAY</p> <p>e) Write a costed curriculum and staffing plan to deliver high-quality 11-18 educational provision in a single school from September 2018 <u>[MO]</u> COMPLETED</p> <p>f) Implement the costed building and infrastructure project plan to deliver a twin-site single school ready to open in September 2018 <u>[CEO]</u> COMPLETED</p> <p>g) Use intense PR over the year to inform, involve and excite the Louth community <u>[MO]</u> UNDERWAY</p> <p>h) Embed the MAT philosophy and educational model for school improvement into the new Academy <u>[CEO]</u> UNDERWAY</p>	<p>I. Stumbling blocks delay TUPE, land transfer & CTA</p> <p>II. Issues not detected in due diligence prior to Funding Agreements prevent or delay intended actions</p> <p>III. Delays in planning, design and build push back September 2018 opening date</p> <p>IV. Key MAT and/or new academy personnel leave before project completion</p> <p>V. Legacy issues following the incorporation inhibit improvement strategies</p> <p>VI. Unforeseen costs in building works</p> <p style="text-align: center;">Click here for risk matrix and mitigation</p>
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KEY DELIVERABLES

WHERE WE WERE IN AUGUST 2017

WHERE WE WILL BE BY AUGUST 2018

<p>a. Cordeaux is RI and Monks Dyke inadequate</p> <p>b. SLT in both schools have not been delivering necessary improvement</p> <p>c. Both schools competing with each other</p> <p>d. Schools running as separate entities</p>	<p>a) Both academies assessed externally as improving</p> <p>b) Staffing, including SLT, is fit for purpose</p> <p>c) Both schools are collaborating</p> <p>d) Both academies have a common curriculum</p> <p>e) Both academies ready to open as a single split-site academy on September 1st, 2018</p>
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EVALUATION OF THE TRUST'S EFFECTIVENESS

1. OPERATIONAL LEVEL

Each year, each of the key deliverables in the annual MAT business plan is assessed as:

Fully achieved; partially achieved; or not achieved.

The actions that drive the deliverables are assessed as:

Completed; underway; or not started.

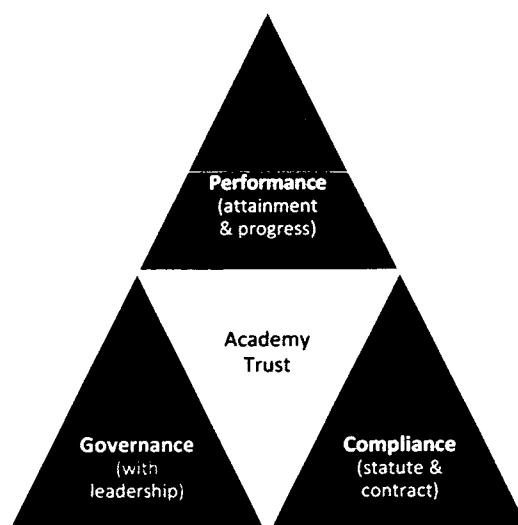
These assessments are included in the MAT's annual report which is available for public scrutiny.

These assessments are undertaken by the Senior Executive Team and led by the Chief Executive, who may commission external consultants to support the process and bring in additional experience and objectivity.

2. STRATEGIC LEVEL

Every two years, the overall effectiveness of the MAT is assessed under the three headings of:

Performance, Compliance and Governance with Leadership. (see diagram below)



Each is graded 1 – 4 in line with Ofsted categories.

- Assessment of the performance strand is informed by the operational assessments above and the evaluations of outcomes from the constituent academies.
- Assessment of the compliance strand is enabled through use of the compliance audit tool to be found on [“The Key”](#) or through the use of [other checklists](#).
- Assessment of the governance strand is facilitated through use of an [experimental adaptation](#) of the NHS Well-Led Review self-evaluation tool.

These assessments are undertaken by the Board and led by the Chair, who may commission external consultants to support the process and bring in additional experience and objectivity.

Acronyms used in this Document

BA	Business Arrangements
BP	Business Plan
CLE	Cleethorpes Academy
CEO	Chief Executive Officer
CFO	Chief Finance Officer
DCEO	Deputy CEO
DfE	Department for Education
ESFA	Education & Skills Funding Agency
EH	Executive Headteacher
HRO	Human Resources Officer
HSC	Health and Safety Committee
ICO	Information and communications officer
KD	Key Deliverable
LGB	Local Governing Body
LOU	Louth Academy (including Cordeaux)
MAT	Multi Academy Trust
OfSTED	Office for Standards in Education
MO	MAT Officer
PIL	Pilgrim Academy
REY	Reynolds Academy
RMP	Risk Management Plan
RO	Resources Officer
SOM	Somercotes Academy
SDO	School Development Officer
SEF	Self-Evaluation Form
SLT	Senior Leadership Team
THD	Theddlethorpe Academy
TOL	Tollbar Academy
TMAT	Tollbar Multi Academy Trust

Tollbar Multi Academy Trust

Report of the Trustees – continued for the year ended 31 August 2018

Going Concern

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the 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.

FINANCIAL REVIEW

Sufficient cash is held in reserve to enable the Trust to support any financial issues that it may experience. Reviews of monthly financial reports enable any issues to be identified at an early stage. Despite the pension scheme being in deficit, it is not considered to impact on the Trust. The principal source of funding is General Annual Grant income from the ESFA. Expenditure of this fund has supported the key objectives of the Multi Academy Trust as set out in the Objectives and Activities section of the Report to Trustees. During the year, the Multi Academy Trust made a surplus of £46,468,000, as a result of Louth Academy and Cordeaux Academy joining the Multi Academy Trust.

The vast majority of the Multi Academy Trust's reserves at 31 August 2018, including amounts held as cash at bank, are committed to future projects. As at 31 August 2018, the Multi Academy Trust had £5,652,000 (2017: £2,876,000) of restricted and unrestricted general reserves (excluding pension reserves).

Reserves Policy

The Trustees review the free reserve levels of the Trust on a monthly basis. This takes account of income and expenditure streams and the requirement to match income with commitments.

The basic contingency for each constituent academy is set at £100,000 for most academies and £50,000 for the smallest academies. The contingency developments account varies throughout the year, dependent on levels of expenditure and income streams. These are unrestricted funds and can be spent on anything which further the objectives of the Trust.

The level of reserves is based on a clear understanding of what the money is to be used for and is an essential element of strategic planning.

Investment Policy

The aim of this policy is to ensure that funds which the Trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise its income without risk. This would be implemented according to the principles within this policy.

Principal Risks and Uncertainties

The risks and strategies for their mitigation over the period 2017-2018 have been reviewed (see below) and a revised risk management plan for the period 2018-2019 is included in Plans for Future Periods. See also the Governance Report.

**Report of the Trustees – continued
for the year ended 31 August 2018**

RISK MANAGEMENT PLAN

The core business of our Multi Academy Trust (MAT) is to guarantee the best life chances to the students who attend our constituent academies by ensuring that they leave:

- Emotionally intelligent;
- Having made educational rates of progress above the national upper quartile rates;
- With a love of learning;
- With a commitment to healthy living;
- With an understanding of the world in which they live;
- Ready and able to function as a member of a community.

To achieve these core objectives each academy sets an annual business plan which is informed by a detailed evaluation of its current position and its future intentions. For each area of activity these academy plans propose measurable outcomes, known as key deliverables, and identifies possible threats to their achievement.

To enable and support academies in their work, the MAT executive team, at the centre of the organisation, sets its own business plan, with its own key deliverables and specifies possible threats to their achievement, and takes into account those identified at academy level.

The MAT priorities for 2017-2018 were:

1. To assure the effectiveness of constituent academies
2. To provide effective support services to the academies
3. To maintain the highest quality of internal controls
4. To develop the sustainability, effectiveness and outreach of the MAT
5. To ensure health and safety in all settings
6. To incorporate MDTC and Cordeaux into the MAT and combine them to form an effective non-selective Louth Academy

Three key deliverables for each priority area were agreed by the Board, who held the Executive to account for their achievement.

Set out below are the possible threats, their likelihood of occurrence, their impact, their calculated priority and the measures for mitigation. Together these form our risk register, risk matrix and risk management plan.

Scales used in this risk management plan

1. Likelihood

Criterion	Probability	Score
Almost certain	> 0.9	5
Likely	0.5 – 0.9	4
Possible	0.3 – 0.5	3
Unlikely	0.1 – 0.3	2
Rare	< 0.1	1

2. Impact

Criterion	Score
Catastrophic	5
Major	4
Moderate	3
Minor	2
Insignificant	1

3. Priority (Pr = Likelihood x Impact)

	All mitigation measures in place and frequently reviewed. Actions reflected in business plan.
$9 \geq pr \geq 5$	All mitigation measures in place and reviewed annually
$4 \geq pr$	All mitigation measures in place and reviewed at least every two years

Risk area 1	Possible event	likelihood	impact	Priority	Actions see also BP 1	status
1. To assuring the effectiveness of constituency academies	i. Staff shortages and changes at academy level inhibit performance	3	4		<ul style="list-style-type: none"> Refer to <u>BP 2b</u> [HRO] 	Planned
	ii. Key personnel leave or are absent	3	4		<ul style="list-style-type: none"> Refer to <u>BP2b</u> [HRO] Succession plan prepared [DCEO] 	Planned Planned
	iii. Academy improvement strategies stall	2	4	8	<ul style="list-style-type: none"> Frequent and regular meeting between CEO and EPs Half termly progress report to LGB and through to the Board 	Schedule in place Not started
	iv. Changes in the ways attainment and progress are measured and reported	4	4		<ul style="list-style-type: none"> Keep up to date with all potential changes [Principals+ Executive Team] Model consequent curriculum changes in constituent academies [Principals + Executive Team] Keep under review cross-academy curriculum models [Principals + Executive Team] Model consequent student grouping changes in constituent academies [Principals + Executive Team] Adjust student level targets accordingly in constituent academies [Principals] Adjust academy academic targets accordingly in constituent academies [Principals] Keep students and parents informed of planned changes [Principals] Adjust academy academic targets accordingly in constituent academies [Principals] 	In place Reviewed regularly Reviewed regularly Reviewed regularly Reviewed regularly In place Reviewed regularly Reviewed annually

Risk area 1	Possible event	likelihood	impact	Priority	Actions <u>see also BP 1</u>	status
	v. Further changes to the way Ofsted judges schools	3	4		<ul style="list-style-type: none"> • Keep up to date with all potential changes [Principals + Executive Team] • Keep students and parents informed of planned changes [Principals] • Check academies are prepared for any new inspection arrangements 	<p>In place</p> <p>In place</p> <p>In place</p>
	vi. Changes to student entry profiles	4	4		<ul style="list-style-type: none"> • Undertake detailed analyses of student attainment on entry in constituent academies [Principals] • Adjust curriculum accordingly in constituent academies [Principals + Executive Team] • Adjust student groupings accordingly in constituent academies [Principals + Executive Team] 	<p>Ongoing</p> <p>Prepared</p> <p>Prepared</p>
	vii. Change in local and national landscape	4	4		<ul style="list-style-type: none"> • Keep up to date with possible changes [Executive Team] • Model consequences on existing provision [Executive Team] 	<p>Ongoing</p> <p>Prepared</p>

Risk area 1	Possible event	likelihood	impact	Priority	Actions <u>see also BP 1</u>	status
	viii. Business interruption at the centre or in constituent academies	2	4	8	<ul style="list-style-type: none"> • See mitigation in Risk Area (RA) 3iv and policy 	In place
	ix. Ineffective leadership of an academy	2	5		<ul style="list-style-type: none"> • Regular performance monitoring and review of principals [CEO] • Early intervention by CEO and MAT team [CEO] • Ensure principals collaborate[CEO] 	In place In place In place
	x. Procedural slippage at academy level	3	3	9	<ul style="list-style-type: none"> • Agenda item at Principals' meetings with CEO [CEO] 	In place

Risk area 2	event	likelihood	impact	Priority	Actions see also BP2	status
2. To providing effective support services to the academies	i. Service area leaders leave	2	5		<ul style="list-style-type: none"> Refer to BP 2b [HRO] 	In BP
	ii. Errors or delays in service provision affect the smooth running of academies	1	5	5	<ul style="list-style-type: none"> Ensure alignment of understanding between centre and constituent academies before any remedial measures applied [CEO + Principal] Agree measurable outcomes within an agreed time period so that measure may be evaluated [CEO + Principal] 	Underway Underway
	iii. Inability to recruit or retain staff with expertise in service areas	4	4		<ul style="list-style-type: none"> Refer to BP 2b [HRO] 	In BP
	iv. Service provision found wanting in external inspection or review of an academy	1	4	4	<ul style="list-style-type: none"> Regularly survey SLT in constituent academies to ascertain satisfaction and areas of concern [DCEO] Ensure strategies in BP2 include success criteria that form the basis of leaders' performance objectives [DCEO] Ensure robust staff performance for all service leaders (targets, appraisal etc) [HRO] Keep the pay and conditions of staff who work at the centre under regular review [HRO] 	In place To do Procedure in place Procedure in place

Risk area 2	event	likelihood	impact	Priority	Actions see also <u>BP2</u>	status
	v. HR litigation	2	4	8	<ul style="list-style-type: none"> Detailed HR procedures, checked by legal, in place and followed to the letter [HRO] Policy on compromise agreements is in place [HRO] 	In place In place
	vi. Inadequate legal advice	1	5	5	<ul style="list-style-type: none"> Annual report by Executive Team on effectiveness of legal advice over the past 12 months is shared with the Board [CEO] 	Planned
	vii. Business interruption at the centre	1	4		<ul style="list-style-type: none"> See 3iv below and policy [CEO] 	In place
	viii. Insufficient capacity at the centre to respond quickly to academy needs	2	4	8	<ul style="list-style-type: none"> Deployment and effectiveness of service provision discussed at MAT meetings [HRO] Regularly check that management charge and particularly service charge to each constituent academy fully covers total centre costs [DCEO + CEO+ CFO] 	In place In place

Risk area 2	event	likelihood	impact	Priority	Actions see also <u>BP2</u>	status
	ix. Poor value for money	2	3	6	<ul style="list-style-type: none"> • See QA procedures in <u>BP2a</u> [DCEO] • Ensure robust staff performance for all staff at the centre (targets, appraisal etc) [HRO] • Keep the pay and conditions of staff who work at the centre under regular review [HRO] 	<p>In place in BP</p> <p>In place</p> <p>In place</p>
	x. Ineffective control at academy level	1	5	5	<ul style="list-style-type: none"> • Regularly monitor and review performance at academy level [DCEO] • Ensure academy leaders follow all policies and procedures of the MAT [DCEO] 	<p>In place</p> <p>In place</p>

Risk area 3	event	likelihood	impact	Priority	Actions see also <u>BP3</u>	status
3. To maintaining the highest quality of internal controls	i. Leaders of service areas leave	2	5		<ul style="list-style-type: none"> Accurate assessments based on current staff profile and future business needs inform staffing requirements over the near future [HRO] Succession plans detail methods by which future staffing requirements will be met [HRO] Development programme in place which grows internally some identified staff for positions described above [HRO] Early external recruitment where necessary [HRO] 	<p>In place</p> <p>Underway</p> <p>In place</p> <p>Underway for teachers</p>
	ii. Inability to recruit or retain staff with expertise in service areas	4	3		<ul style="list-style-type: none"> Robust staff performance management identifies development needs of staff not fully meeting their job requirements or performance targets [HRO + Principals + SIO] Targeted development programme in place for staff identified through PM [HRO] Recruit to replace staff who still fail to meet requirements and targets [HRO] 	<p>In place</p> <p>In place</p> <p>In place</p>

Risk area 3	event	likelihood	impact	Priority	Actions see also <u>BP3</u>	status
	iii. Changes to ESFA requirements	4	2	8	<ul style="list-style-type: none"> • Keep up to date with all potential changes [Executive Team] • Model consequent procedural changes at the centre and in constituent academies [Executive Team] • Model consequent organisational changes across the MAT [Principals + Executive Team] 	<p>On going</p> <p>Prepared</p> <p>Prepared</p>
	iv. Business interruption especially ICT breakdown	1	5	5	<ul style="list-style-type: none"> • Business interruption policies in place and reviewed annually for the Centre and constituent academies [CEO] • Contingency plan for continued teaching for at least 3 days should all ICT fail [ICO] • Contingency plan for continued Centre operations should all ICT fail [ICO] • Maintain the development of the infrastructure of the academies [ICO + RO] 	<p>In place & being revised</p> <p>In place & being revised</p> <p>In place & being revised</p> <p>On going</p>
	v. Breaches of security and confidentiality or data control	1	5	5	<ul style="list-style-type: none"> • Check policies in place and conduct simulation exercises to check effectiveness of procedures [ICO] • Ensure annual ICO registration and check compliance [ICO] 	<p>In place</p> <p>In place</p>

Risk area 3	event	likelihood	Impact	Priority	Actions see also <u>BP3</u>	status
	vi. Insufficient financial expertise at director level	2	3	6	<ul style="list-style-type: none"> Regular training for the Board on financial regulations and internal procedures [CEO] Biennial health check on Board expertise [CEO] Appoint directors with financial expertise [Board] 	<p>In place</p> <p>In place</p> <p>In place</p>
	vii. Undetected accounting error	1	5	5	<ul style="list-style-type: none"> Check method statement of internal audit to ascertain robustness of sampling [CEO] Task internal audit to scrutinise areas of more likely error [CEO] 	<p>In place</p> <p>In place</p>
	viii. Theft or fraud	1	5	5	<ul style="list-style-type: none"> Contingency plan in place to intervene quickly when theft or fraud are suspected, reported or discovered [CEO] Whistle blowing policy in place [DCEO] Ensure there is no senior officer or director interest when appointing auditors [CEO] 	<p>Procedures in place</p> <p>In place</p>
	ix. Conflicts of interest not declared	1	3	3	<ul style="list-style-type: none"> Ensure <u>policy</u> and procedures on conflict of interest conforms to Charity regulations [DCEO] The Clerk should brief the Board, Executive and LGBs on the interpretation of CoI [CLERK] 	<p>In place</p> <p>Done</p>

Risk area 3	event	likelihood	impact	Priority	Actions see also <u>BP3</u>	status
	x. Audit sampling misses errors	1	4	4	<ul style="list-style-type: none"> • Internal audit function detached from external audit and tasked by CEO and reporting to Audit committee [CEO] • The Audit Committee receives internal audit reports twice a year [AC] • Ensure through the Clerk that the Audit Committee fulfils its audit responsibilities [Chair of Audit] 	<p>In place</p> <p>In place</p> <p>In place</p>
	xi. Undetected misinterpretation of financial regulations	1	4	4	<ul style="list-style-type: none"> • Regularly check MAT financial regulations and procedures conform with Company Law, Charitable Law, The Articles of Association, The Funding Agreement and the ESFA Financial Handbook [CFO] • Ensure training of all staff and members of the Board and ensure a current written version of the MAT financial regulations is in their possession [CFO] 	<p>Completed</p> <p>In place</p>

Risk area 3	event	likelihood	impact	Priority	Actions see also BP3	status
	xii. Student numbers (and income) fall or funding formula alters	2	4	8	<ul style="list-style-type: none"> • Keep pre-compulsory numbers under review and model financial implications [CEO] • Keep 5-11 student numbers under review and model financial implications [CEO] • Keep 11-16 student numbers under review and model financial implications [CEO] • Keep post-compulsory student numbers under review and model financial implications [CEO] • Keep up to date with national funding arrangements and model financial implications [CEO] 	<p>In place</p> <p>In place</p> <p>In place</p> <p>In place</p> <p>In place</p>

Risk area 4	event	likelihood	impact	Priority	<u>Actions see also BP4</u>	status
4.To developing the sustainability, effectiveness and outreach of the MAT	i. LGB unable to respond to challenges from the Board	1	3	3	<ul style="list-style-type: none"> LGBs review regularly their academy's performance and Business Plan [Clerk] 	Planned
	ii. Local issues not adequately presented to the Board	1	3	3	<ul style="list-style-type: none"> Chair of LGB presents issue paper as agenda item at every Board meeting [Clerk] Prior to each Board meeting the Chair of the board meets with the Chairs of GBs to discuss up-coming issues papers [Clerk] 	Planned Planned
	iii. Inability to recruit governors	4	4		<ul style="list-style-type: none"> All MAT and academy publicity materials advertise for governors [DCEO] Websites contain recruitment materials for governors as for teachers [ICO] 	Planned Planned
	iv. Newly adopted academies threaten VFM across the MAT	2	4		<ul style="list-style-type: none"> Robust business modelling assures at least 5 years financial viability of any proposed incoming academy [CFO] Where any academy is not sustainable and bringing significant financial liabilities into the MAT then consider closure or other measures [CFO] 	Planned In hand

Risk area 4	event	likelihood	impact	Priority	<u>Actions see also BP4</u>	status
	v. Overall disbenefits outweigh benefits when staff and/or resources are redeployed	2	4	8	<ul style="list-style-type: none"> • Before any new academy is adopted an impact-statement is considered by the senior executive team [CEO] 	In hand
	vi. Change in national and local landscape	3	5		<ul style="list-style-type: none"> • New academy adoption is informed by what is happening in neighbouring schools/academies [CEO] • Use best endeavours and networks to ascertain national intentions to anticipate local landscape [CEO] • Keep good relationships with the local authorities [CEO] • Keep abreast of demographics [CEO] 	<p>In place</p> <p>Planned</p> <p>In place</p> <p>Planned</p>

Risk area 5	event	likelihood	impact	Priority	Actions see also BP5	status
5. To ensuring health & safety in all settings	i. A serious H&S incident occurs before responsibilities and accountabilities are finalised	2	4	8	<ul style="list-style-type: none"> Ensure all staff are aware of their current responsibilities based on current policies and procedures and alert to upcoming changes [ICO] Move quickly to meet with staff at the Centre and in the Academies to show new “responsibilities and accountabilities” chart [RO] 	In hand In hand
	ii. H&S information and training has not reached all staff	2	5		<ul style="list-style-type: none"> Staff to sign a “training completed” form after MAT-wide training on the new policy [HRO] Staff to sign a “training completed” form after academy-based training on the new procedures [HRO] Report to Executive team to show those not yet trained and “catch-up” programmes put in place [HRO] Regular report to the Board on percentages of staff having received all necessary H&S training [HRO] Briefing pack on H&S requirements approved by external H&S consultancy [RO] Ensure all procedure updates are available and publicised [ICO] 	To do To do Being planned Being planned Being planned Being planned

Risk area 5	event	likelihood	impact	Priority	<u>Actions see also BP5</u>	status
	iii. Site audits fail to recognise a H&S risk	2	4	8	<ul style="list-style-type: none"> • Ensure MAT centre programme of inspections ensures a check on academy-level inspections [RO] • Ensure templates to be used in inspections cover all eventualities [RO] • Introduce occasional external H&S inspections [RO] • Seek Board advice and approval on the programme of H&S related inspections [RO] 	<p>Being planned</p> <p>Being planned</p> <p>Being planned</p> <p>Being planned</p>
	iv. External environmental shock affects student and/or staff safety	1	5	5	<ul style="list-style-type: none"> • See RA 3iv above for business interruption mitigation measures [ICO] • Procedures in place should one of the academies be required to shut down [ICO] 	<p>Completed</p> <p>Planned</p>
	v. Internal communication failure inhibits H&S management systems	1	5	5	<ul style="list-style-type: none"> • See RA 3iv above for business interruption mitigation measures [ICO] • Ensure a last resort back-up of paper copies of policies, procedures and reports and keep this up-to date [ICO] 	<p>Completed</p> <p>Plans in place</p>
	vi. Data breach	2	4	8	<ul style="list-style-type: none"> • Ensure directors and governors have a MAT email account [ICO] • Take into account and respond to latest guidance [ICO] 	<p>To do</p> <p>To do</p>

Risk area 6	event	likelihood	impact	Priority	Actions see also BP6	status
6. To incorporating MDTC & Cordeaux into the MAT and combining them to form an effective non-selective Louth Academy	i. Stumbling blocks delay TUPE, land transfer & CTA	4	5		<ul style="list-style-type: none"> Keep open communications with RSC and DfE [CEO] Keep open the option of withdrawal [Board] 	On going Open
	ii. Issues not detected in due diligence prior to Funding Agreements prevent or delay intended actions	3	5	15	<ul style="list-style-type: none"> Ensure all project plans include contingencies [DCEO] Keep the due diligence process under review [DCEO] 	Started On going
	iii. Delays in planning, design and build push back September 2018 opening date	2	4	8	<ul style="list-style-type: none"> Continuously monitor and review progress of all projects so that there is early notice of actual or potential slippage [DCEO] Have in hand plans for a delayed opening [DCEO] 	Planned Not Started
	iv. Key MAT and/or new academy personnel leave before project completion	3	4		<ul style="list-style-type: none"> Ensure succession planning covers these eventualities and refer to BP 2b [HRO] 	In place
	v. Legacy issues following incorporation inhibit improvement strategies	3	3	9	<ul style="list-style-type: none"> Design the future curriculum plan and organisation so that staffing requirements are identified early [MO] Enter early negotiations with staff to recast contracts that match the new academy requirements [HRO] 	Started Planned

Fundraising

Plans for Future Periods

The core purpose of Tollbar Multi Academy Trust is continually to improve provision and learner outcomes across the Tollbar Family of Academies. This annual business plan (2018 – 2019) (see below) sets out how this core purpose will be achieved. It is an enabling plan – enabling constituent academies to focus and deliver on their first responsibility to improve standards.

It is informed by:

- Our vision
- The MAT's key deliverables and the targets of the constituent academies (TBA, CA, SA, RA, SA, TA, PA, LA & CXA)
- The self-evaluations of the constituent academies (TBA, CA, SA, RA, TA, PA, LA & CXA)
- Recommendations made in external reviews and inspections of the constituent academies (TBA, CA, SA, RA, TA, PA, LA & CXA)
- The evaluation of the previous annual plan

And set out in the context of our policies, available for public scrutiny set out on:

- Our website

This plan (2018 – 2019) describes actions we will take in five priority areas:

1. To assure the effectiveness of constituent academies
2. To provide effective support services to the academies
3. To maintain the highest quality of internal controls
4. To develop the sustainability, effectiveness of the MAT
5. To ensure compliance with all regulations

Within each priority area we have specified:

- The reasons for choosing this particular priority
- The key areas of activity for focus
- The key end-of-year deliverables, preceded by the current position
- The risks to the achievement of the KD's

This plan informs:

- The performance objectives for the CEO and top tier Executive Team
- The risk management plan
- The detailed plans of the MAT Executive Team and Academy Principals



Tollbar MAT
Family of Academies

BUSINESS PLAN

2018 – 2019

MAT 1 ASSURE THE EFFECTIVENESS OF CONSTITUENT ACADEMIES

RATIONALE

The core purpose of Tollbar Multi Academy Trust is to improve the educational outcomes and life chances of young people. Executive Principals (as school improvers) on the MAT Executive Team have been deployed to very good effect to 'new academies' and 'academies in need'. There is a need to ensure that the school improvement function is maintained on the MAT central team so that the educational impact of decisions is always taken into account. Constituent academies need to develop autonomous improvement strategies and collaborate to share successful practices.

ACTIONS

- a. Schedule weekly meetings so that Academy Principals meet with the Senior Executive Team to update on progress and issues [CEO]
- b. Keep the LGB accountability meetings aligned with the academy cycle of termly recording and reporting progress [CEO]
- c. Use the MAT-wide Academy collaborative and curriculum meetings to identify and transfer successful practices across academies and intervene in cases of weakness [DCEO]
- d. Schedule MAT-wide staff development programmes that are informed by MAT and academy priorities and identified staff needs [HRT]
- e. Ensure academies apply consistent and accurate approaches to assessment and the evaluation of teaching and learning [DCEO]
- f. Provide appropriate resources to meet need and benefit learning in the academies [CEO]
- g. Arrange an annual working weekend for the Executive Team with Senior Leaders from all constituent academies to review and evaluate last year's outcomes and plan for the next year [CEO]

RISKS

- I. Staff shortages and changes at academy level inhibit performance
- II. Key personnel leave or are absent
- III. Academy improvement strategies stall
- IV. Changes in ways attainment and progress are measured and reported nationally
- V. Further changes to the way Ofsted and ESFA judges schools
- VI. Changes to student entry profiles
- VII. Change in the local and national educational landscape
- VIII. Business interruption at the centre or constituent academies
- IX. Ineffective leadership or key curriculum area in an academy
Procedural slippage within the academies

[Click here for risk matrix and mitigation](#)

KEY DELIVERABLES

WHERE WE WERE IN AUGUST 2018

- a. All academies are judged by Ofsted inspectors/ consultants as at least good or at least improving
- b. Overall progress rates by end of KS2/ KS4 at most academies have improved on previous year
- c. There are sufficient experienced leaders to be designated at all academy SLTs
- d. By the end of KS2/KS4 overall progress rates of disadvantaged students are closer than the previous year to those of others

WHERE WE WILL BE BY AUGUST 2019

- a) All academies including the Sixth Form are judged by Ofsted inspectors/ consultants as at least good
- b) Overall progress rates by end of KS2/ KS4 at all academies have improved on previous year
- c) There are sufficient experienced leaders to be designated at all academy SLTs
- d) By the end of KS2/KS4 overall progress rates of disadvantaged students are closer than the previous year to those of others

MAT 2 PROVIDE EFFECTIVE SUPPORT SERVICES TO THE ACADEMIES

RATIONALE

A strength of Tollbar Multi Academy Trust is the strategic and responsive provision of excellent support services from the centre to its constituent academies. From the academy side, this frees up academy-based senior leaders with their senior leadership teams to focus on the core business of raising standards. From the MAT side, this facilitates a control on the work of the constituent academies. All services are provided to benefit the MAT and its academies. Evaluation of the last five years' plans shows this work to be effective.

ACTIONS

- a) Evaluate and keep under review all support services [CEO+CFO]
- b) Recruit staff and provide training and HR services to academies [HRT]
- c) Provide finance services to academies [CFO]
- d) Provide core administrative services to academies [CFO]
- e) Provide IT support and data services to academies [ICO]
- f) Provide resource management services to academies [RO+DRO]
- g) Provide estates management services to academies [RO+DRO]
- h) Provide curriculum, timetabling and data services to academies [MO+TTT]
- i) Provide marketing and PR services to academies [HRT]
- j) Clarify and update the procedures which define which tasks should be undertaken at academy level and not at the centre [CEO]

RISKS

- I. Service area leaders leave
- II. Errors or delays in service provision affect the smooth running of academies
- III. Inability to recruit or retain staff with expertise in service areas particularly in the light of changing national funding arrangements
- IV. Service provision found wanting in an external inspection or review of an academy
- V. HR litigation
- VI. Inadequate legal advice
- VII. Business Interruption at the centre
- VIII. Insufficient capacity at the centre to respond quickly to academy needs
- IX. Poor value for money
- X. Ineffective control at academy level

[Click here for risk matrix and mitigation](#)

KEY DELIVERABLES

WHERE WE WERE IN AUGUST 2018

- a. Support services to academies have contributed to continuous improvement
- b. No adverse comment made on service provision in any external academy report
- c. MAT accounts are in credit
- d. Working and learning environments have improved over the year

WHERE WE WILL BE BY AUGUST 2019

- a) Support services to academies have contributed to continuous improvement
- b) There is evidence to show how service provision has a direct impact on improved rates of learner progress
- c) MAT accounts are in credit
- d) Working and learning environments have improved over the year

MAT 3 MAINTAIN THE HIGHEST QUALITY OF INTERNAL CONTROLS

RATIONALE

Audits of controls and risk management have consistently been unqualified. Changes to reporting and governance required by the Education & Skills Funding Agency have been accommodated without interruption to academy service provision. Whilst the purpose of the MAT is to raise standards in academies, the proper custodianship and effective use of public funds will always be a priority of a good MAT's business plan.

ACTIONS

- a) Construct a new risk management plan which relates to this business plan [CEO]
- b) Design the 2018-19 programme for internal audit taking into account any recommendations from the external auditors [Chair of Board]
- c) Benchmark key financial indicators and key educational outcome measures to ascertain the MAT's VfM position nationally & report to the Board [CEO+DCEO]
- d) Keep the MAT's financial procedures/regulations under review to reflect changes to conduct and reporting requirements [CFO]
- e) Keep the principal risks, including those inherited from new incoming academies, under review [CEO+CFO]
- f) Ensure up-to-date asset management planning and reporting [RO+DRO]
- g) Respond to adverse legacy effects of previous academy incorporations [CEO+CFO]

RISKS

- I. Leaders of Service areas leave
- II. Inability to recruit or retain staff with expertise in service areas
- III. Changes to ESFA requirements
- IV. Business interruption especially IT breakdown
- V. Breaches of security and confidentiality, data control or GDPR compliance
- VI. Insufficient financial expertise at director level
- VII. Undetected accounting errors
- VIII. Theft or fraud
- IX. Conflicts of interest not declared
- X. Audit sampling misses errors
- XI. Undetected misinterpretation of financial regulations
- XII. Student numbers (and income) fall or funding formula alters
- XIII. Delayed unexpected events from re-brokered academies entering the MAT

[Click here for risk matrix and mitigation](#)

KEY DELIVERABLES

WHERE WE WERE IN AUGUST 2018

- a. All internal and external audit reports are unqualified
- b. Any ESFA/ ICO investigations and reviews find no causes for concern
- c. All reports for ESFA, Charity Commission, Companies House and DfE are accurate, approved by the Board, and filed on time
- d. All external compliance reports are unqualified

WHERE WE WILL BE BY AUGUST 2019

- a) All internal and external audit reports are unqualified
- b) Any ESFA/ICO investigations and reviews find no causes for concern
- c) All reports for ESFA, Charity Commission, Companies House and DfE are accurate, approved by the Board, and filed on time
- d) All external compliance reports are unqualified (eg fire service, HSE, water board, etc)

MAT 4 DEVELOP THE SUSTAINABILITY AND EFFECTIVENESS OF THE MAT

RATIONALE

An ambition of the Trust is to share its proven successes in raising achievement to benefit learners across the region. Expansion brings risks to existing methods of achieving these successes. Mitigating these risks includes formalising the accountability of local governing bodies to the Board so that emerging concerns are noticed and addressed. In addition, there is a risk that new or struggling academies in the Tollbar MAT Family make demands on resources that adversely affect other family members. The defining of TMAT by DfE as an academy hub accorded with the views of the Board on remaining locality based. Good governance ensures the integrity, accountability and sustainability of the MAT.

ACTIONS

RISKS

<ul style="list-style-type: none"> a) Schedule for 2018-19 the 'challenge' meetings for Directors to meet LGBs to review progress towards academy KDs and report back to CEO [Chair of Board] b) Provide training to ensure governors are able to interpret statistics, understand inspection expectations and are up to date with any regulatory requirements [HRT] c) Undertake due diligence and establish the business case before adopting any new academies into the Trust [CEO] d) Undertake impact assessments before deploying staff and resources from one academy to another [CEO] e) Ensure all constituent academies are growing and supporting new leaders in the academies [CEO+HRT] f) Plan for appointing staff into positions on the MAT Executive Team [CEO] g) Have regard to maintaining good governance in any organisational change [CEO] h) Ensure 11-18 learning and qualification pathways appropriate to the aptitudes, aspirations and needs of all TMAT students [DCEO] 	<ul style="list-style-type: none"> I. II. LGB unable to respond to challenges from the Board III. Local issues not adequately presented to the Board IV. Inability to recruit governors V. Newly adopted academies threaten Value for Money (VfM) across the MAT VI. Overall disbenefits outweigh benefits when staff and/or resources are redeployed VII. Change in the local and national landscape VIII. Inability to recruit appropriate staff <p style="text-align: center;">Click here for risk matrix and mitigation</p>
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KEY DELIVERABLES

WHERE WE WERE IN AUGUST 2018

WHERE WE WILL BE BY AUGUST 2019

<ul style="list-style-type: none"> a. Louth Academy has an interim executive board b. Business cases for prospective academies are made and presented c. New combined academy in Louth ready for September start 	<ul style="list-style-type: none"> a) All academies have a local governing body b) Due diligence better at identifying risks to new adoptions c) Strategic partnerships are widening the offer to all TMAT students
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MAT 5 ENSURE COMPLIANCE WITH ALL REGULATIONS

RATIONALE

Whilst the core purpose of Tollbar Multi Academy Trust is to improve the educational outcomes and life chances of young people (see MAT1), this purpose should be achieved in ways that comply with regulations. For example: matters related to health, safety and safeguarding have a direct impact on staff and student welfare; matters relating to governance demonstrate the accountability of the MAT for its spending of public money; educational legislation frames the organisation and running of academies. Given that the three strategic components of a MAT are performance, governance and compliance. This priority considers compliance. Compliance is increasingly emphasised in Ofsted inspections and EFSA reviews.

ACTIONS

RISKS

<p>a. Establish and embed an understanding and culture of compliance across the MAT [CEO]</p> <p>b. Adopt appropriate audit tools to undertake regular compliance checks [DCEO]</p> <p>c. Use the GDPR consultant to assist and support data protection compliance across the MAT and respond to the recommendations [ICO]</p> <p>d. Reconstitute the H&S committee with senior manager representation from each academy and deliver the requirements of the H&S Policy [RO+DRO]</p> <p>e. Provide information & training for those at the Centre and those in Academies on how they must discharge their compliance responsibilities [DCEO]</p> <p>f. Maintain and promote the MAT-wide Intranet as a repository for all requirements, policies, procedures and reports [ICO]</p> <p>g. Select compliance areas for internal auditors and consultants to investigate [CEO]</p>	<p>I. A serious H&S or safeguarding incident occurs before procedures fully embedded</p> <p>II. Internal communication failure obscures full understanding and access to compliance procedures</p> <p>III. Compliance information and training has not reached all staff</p> <p>IV. Lack of clarity of compliance expectations coming from more than one national inspection or regulatory bodies</p> <p>V. Time spent on ensuring compliance detracts from core purpose</p> <p>VI. Internal inspections and audits fail to pick up a non-compliance event</p> <p>VII. Impact of HR legislation</p>
	<p>Click here for risk matrix and mitigation</p>

KEY DELIVERABLES

WHERE WE WERE IN AUGUST 2018

WHERE WE WILL BE BY AUGUST 2019

<p>a. GDPR consultant appointed to check DP compliance</p> <p>b. H&S consultant appointed to check and support H&S compliance</p> <p>c. Compliance audits under consideration</p>	<p>a) Compliant in all data protection aspects</p> <p>b) Compliant in all H&S aspects</p> <p>c) System in place for compliance audits</p>
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EVALUATION OF THE TRUST'S EFFECTIVENESS

3. OPERATIONAL LEVEL

Each year, each of the key deliverables in the annual MAT business plan is assessed as:

Fully achieved; partially achieved; or not achieved.

The actions that drive the deliverables are assessed as:

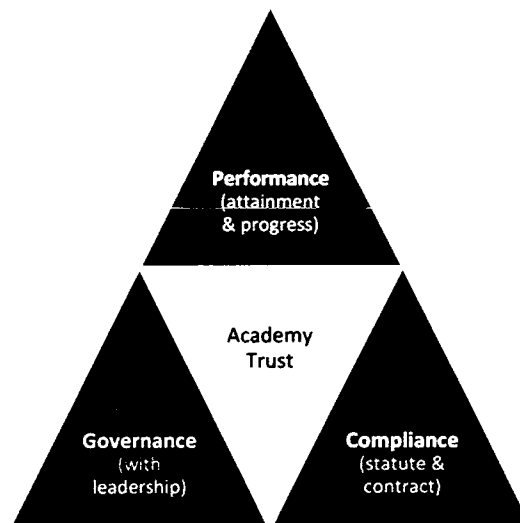
Completed; underway; or not started.

These assessments are included in the MAT's annual report which is available for public scrutiny.

These assessments are undertaken by the Senior Executive Team and led by the Chief Executive, who may commission external consultants to support the process and bring in additional experience and objectivity.

4. STRATEGIC LEVEL

Every two years, the overall effectiveness of the MAT is assessed under the three headings of: *Performance, Compliance and Governance with Leadership.* (see diagram below)



Each is graded 1 – 4 in line with Ofsted categories.

- Assessment of the performance strand is informed by the operational assessments above and the evaluations of outcomes from the constituent academies.
- Assessment of the compliance strand is enabled through use of the compliance audit tool to be found on "The Key" or through the use of other checklists.
- Assessment of the governance strand is facilitated through use of an experimental adaptation of the NHS Well-Led Review self-evaluation tool.

These assessments are undertaken by the Board and led by the Chair, who may commission external consultants to support the process and bring in additional experience and objectivity.

Acronyms used in this Document

BA	Business Arrangements
BP	Business Plan
CLE	Cleethorpes Academy
CEO	Chief Executive Officer
CFO	Chief Finance Officer
DCEO	Deputy CEO
DfE	Department for Education
ESFA	Education & Skills Funding Agency
EH	Executive Headteacher
GDPR	General data protection regulation
HRO	Human Resources Officer
HRT	HR Team
HSC	Health and Safety Committee
ICO	Information and communications officer
KD	Key Deliverable
LGB	Local Governing Body
LOU	Louth Academy
MAT	Multi Academy Trust
OfSTED	Office for Standards in Education
MO	MAT Officer
PDO	Primary Development Officer
PIL	Pilgrim Academy
PPS	Pupil Premium Strategy
REY	Reynolds Academy
RMP	Risk Management Plan
RO	Resources Officer
SOM	Somercotes Academy
SDO	School Development Officer
SEF	Self-Evaluation Form
SLT	Senior Leadership Team
THD	Theddlethorpe Academy
TOL	Tollbar Academy
TMAT	Tollbar Multi Academy Trust
TTT	Timetabling Team
VfM	Value for Money

AUDITORS

Insofar 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 auditors are aware of that information.
-

The auditors, Smailes Goldie, will be proposed for re-appointment at the forthcoming Annual General Meeting.

The report of the Trustees, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 3 December 2018 and signed on the Board's behalf by:

A handwritten signature in black ink, appearing to be 'P Bond', written in a cursive style.

P Bond

Chair

Tollbar Multi Academy Trust

Governance Statement for the year ended 31 August 2018

Scope of Responsibility

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

The Board of Trustees has delegated the day-to-day responsibility to the 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 Tollbar 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 breakdown in internal control.

Governance

The information on governance included here supplements that described in the Trustees' report and in the statement of Trustees responsibilities. The Board of Trustees has formally met 4 times during the year. Attendance at the meetings of the Board of Trustees was as follows:

Director	AGM Possible Attendance	AGM Actual Attendance	Audit Committee Possible Attendance	Audit Committee Actual Attendance	Board Meeting Possible Attendance	Board Meeting Actual Attendance	Complaints Committee Possible Attendance	Complaints Committee Actual Attendance	Finance Committee Possible Attendance	Finance Committee Actual Attendance	Pay and Performance Committee Possible Attendance	Pay and Performance Committee Actual Attendance	TOTAL POSSIBLE ATTENDANCE	TOTAL ACTUAL ATTENDANCE
Ms G Alton	1	0			4	2							5	2
Mrs J Aukett	1	1			4	4	1	1	8	7	1	1	15	14
Mr P Bond	1	1	1	1	4	4					1	1	7	7
Ms E Conolly (resigned 29/05/18)	1	1			3	2							4	3
Mr P Cornford	1	0	1	0	4	4					1	0	7	4
Mr A Else	1	1	1	1	4	4			8	8	1	1	15	15
Mr D J Hampson	1	1			4	4			8	8			13	13
Mrs A Manders	1	1			4	2							5	3
Mr S Woolsey	1	1			4	2			8	7			13	10

Tollbar Multi Academy Trust

Governance Statement – continued for the year ended 31 August 2018

Governance Reviews

Formal self-evaluation on the constituent academies includes section on governance within the leadership and management section.

The Finance Committee is a committee of the main Board of Trustees and meets on a monthly basis. Its terms of reference are as follows:

Finance (Quorum of Directors 3)

- 1 The Board delegates the regular detailed monitoring of budget income and expenditure to this committee.
- 2 Four directors and one non-director are members of this committee.
- 3 The Board appoints a Chair and Vice Chair from the non-executive directors of the Board.
- 4 Membership includes the CEO, DCEO and CFO.
- 5 The committee may invite Principals of constituent academies to attend.
- 6 The Internal Auditor may be invited to attend meetings of the committee.
- 7 The Committee is required to:
 - Meet at regular intervals (monthly if feasible) to review in detail the budget monitoring reports of the Centre and constituent academies along with associated papers presented by the CEO.
 - Agree all budget amendments including virements over the Chief Executive's delegated financial limits which are to be countersigned by the Chair of Finance.
 - Authorise the disposal of assets beyond the delegated limits to the CEO.
 - Deal with all matters pertaining to tendering for services, arranging quotations, letting contracts where the potential cost exceeds the limit delegated to the CEO and in accordance with the tendering policy.

The Audit Committee is a committee of the main Board of Trustees. See below (capacity to handle risk) for its terms of reference. The internal audit 2016-2017 has included a review of governance.

Review of Value for Money

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

The Accounting Officer considers how the 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. The Accounting Officer has delivered improved value for money during the year as follows:

For each academy, the Trust relates per pupil grant funding (input) with overall pupil progress (output) to derive a value for money index. Our Value for Money measure calculates points progress per £1,000. This is benchmarked against neighbouring academies and national medians for each of primary and secondary phases.

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 Multi Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Tollbar Multi Academy Trust Limited for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Multi Academy Trust is exposed (see above) 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 on-going process for identifying, evaluating and managing the Multi Academy Trust's significant risks that has been in place for the period 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Audit Committee of the Board of Trustees.

The Audit Committee meets as appropriate. Its terms of reference are as follows:

Audit (Quorum of Directors 3)

- 1 This is a statutory committee responsible for providing assurance to the Board on the system of internal controls, risk management and financial probity.
- 2 The Board delegates the regular and detailed monitoring of internal controls.
- 3 The Board appoints a Chair and Vice Chair from the non-executive directors of the Board.
- 4 The CEO, DCEO and CFO should normally be invited.
- 5 The Committee may invite Principal of constituent academies to attend.
- 6 The Auditor/Accountant will be invited to attend meetings of the Committee.
- 7 The Committee is required to:
 - Inform the work plan for the audit reviews
 - Receive reports from the Internal Auditor on the effectiveness of the financial procedures and control of the centre and constituent academies
 - Receive from the CEO the reports on the effectiveness of the financial procedures and control of the MAT in accordance with the MAT Financial Regulations and the current Academies' Financial Handbook.

The Risk and Control Framework

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

- Comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees
- Regular reviews by the 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 decided not to appoint an internal auditor. However, the Trustees have appointed Smailes Goldie, the external auditor, to perform additional checks.

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

- Review and testing of financial controls as documented in the Financial Regulations Manual including detailed tests of controls implemented in the Multi Academy Trust's:
 - i. procurement procedures
 - ii. payroll procedures
 - iii. banking procedures

On an annual basis, the auditor reports to the Board of Trustees, through the Audit Committee and/or the Finance Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

Review of Effectiveness

As Accounting Officer, the Chief Executive 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 auditor
- The financial management and governance self-assessment process
- The work of the executive managers within the Multi Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of the review of the system of internal control by the Audit Committee and Finance Committee, to ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 3 December 2018 and signed on its behalf by:



P Bond
Chair



D J Hampson OBE
Accounting Officer

Tollbar Multi Academy Trust

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Tollbar Multi Academy Trust I have considered my responsibility to notify the Multi 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 Multi Academy Trust, under the funding agreement in place between the Multi Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2017.

I confirm that I and the Multi Academy Trust Board of Trustees are able to identify any material irregular or improper use of funds by the Multi Academy Trust, or material non-compliance with the terms and conditions of funding under the Multi Academy Trust's funding agreement and the Academies Financial Handbook 2017.

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



Mr D J Hampson OBE
Accounting officer

3 December 2018

Tollbar Multi Academy Trust

Statement of Trustees' Responsibilities

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Multi Academy Trust 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 apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Multi Academy Trust will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Multi Academy Trust's transactions and disclose with reasonable accuracy at any time the financial position of the Multi Academy Trust 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 Multi Academy Trust 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 Multi Academy Trust applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from the 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 Multi Academy Trust's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Approved by the Board of Trustees on 3 December 2018 and signed on its behalf by:



.....
Mr P Bond
Chair

Tollbar Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Tollbar Multi Academy Trust

Opinion

We have audited the financial statements of Tollbar Multi Academy Trust (the 'Multi Academy Trust') for the year ended 31 August 2018, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Multi Academy Trust's affairs as at 31 August 2018 and of its results 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.
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2017 to 2018 issued by the Education & 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Multi Academy Trust in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 Multi 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.

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 auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Tollbar Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Tollbar Multi Academy Trust (continued)

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 Directors' Report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Trustees' Report have 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 Multi Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the .

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

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

Responsibilities of Trustees

As explained more fully in the Statement of Trustees' Responsibilities [set out on page 56], the Trustees 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 Multi Academy Trust 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 Multi Academy Trust to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

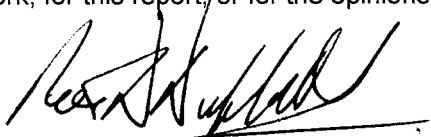
Tollbar Multi Academy Trust

Independent Auditor's Report on the Financial Statements to the Members of Tollbar Multi Academy Trust (continued)

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 auditor's report.

Use of our report

This report is made solely to the Multi Academy Trust's Trustees, 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 Multi Academy Trust members those matters we are required to state to them in an auditor's 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 Multi Academy Trust and its Trustees, as a body, for our audit work, for this report, or for the opinions we have formed.



.....
Peter Duffield LLB FCA (Senior Statutory Auditor)
For and on behalf of Smailes Goldie
Chartered Accountants
Statutory Auditor
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

3 December 2018

Note:

The maintenance and integrity of the Tollbar Multi Academy Trust website is the responsibility of the Trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Tollbar Multi Academy Trust

Independent Reporting Accountant's Report on Regularity to Tollbar Multi Academy Trust and the Education & Skills Funding Agency

In accordance with the terms of our engagement letter dated 29 November 2016 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Tollbar Multi Academy Trust during the period 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to Tollbar Multi Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we may state to Tollbar Multi Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tollbar Multi Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of the Governing Body's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of the Tollbar Multi Academy Trust's funding agreement with the Secretary of State for Education dated 23 January 2013 and the Academies Financial Handbook extant from 1 September 2017, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Approach

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

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

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

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

Tollbar Multi Academy Trust

Independent Reporting Accountant's Report on Regularity to Tollbar Multi Academy Trust and the Education & Skills Funding Agency (continued)

The work undertaken to draw to our conclusion includes:

- Ensuring value for money is sought for all goods/services procured by the Multi Academy Trust, including those procured from related parties of the Multi Academy Trust.
- Ensuring that fixed asset additions are made in line with the terms of the funding received and that fixed asset disposals are properly authorised by the DfE.
- Ensuring that expenditure incurred through the Multi Academy Trust bank account and debit card is appropriate for the purposes of the Multi Academy Trust and that there has been no personal expenditure from the Multi Academy Trust's funds.
- Ensuring pension contributions are paid to the respective schemes in a timely manner.
- Ensuring returns required by regulatory or funding authorities are completed on a timely basis.

Conclusion

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



.....
Smailes Goldie
Chartered Accountants
Regent's Court
Princess Street
Hull
East Yorkshire
HU2 8BA

3 December 2018

Tollbar Multi Academy Trust

Statement of Financial Activities for the Year Ended 31 August 2018 (including Income and Expenditure Account)

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Income and endowments from:						
Voluntary income						
Donations and capital grants	2	70	(1,489)	29,068	27,649	628
Transfer from local authority on conversion		-	(785)	18,350	17,565	6,334
<i>Charitable activities:</i>						
Funding for the Multi Academy Trust's educational operations	3	-	29,223	-	29,223	21,095
Other trading activities	4	15	-	-	15	34
Investments	5	30	-	-	30	21
Total		115	26,949	47,418	74,482	28,112
Expenditure on:						
Raising funds	6	52	-	-	52	20
<i>Charitable activities:</i>						
Multi Academy Trust's educational operations	7	-	27,373	2,813	30,186	22,768
Total		52	27,373	2,813	30,238	22,788
Net income/(expenditure)		63	(424)	44,605	44,244	5,324
Transfers between funds		-	(143)	143	-	-
Other recognised gains and losses						
Actuarial gains on defined benefit pension schemes	22	-	2,224	-	2,224	2,356
Net movement in funds		63	1,657	44,748	46,468	7,680
Reconciliation of funds						
Total funds/(deficit) brought forward at 1 September 2017		693	(1,901)	70,085	68,877	61,197
Total funds carried forward at 31 August 2018		756	(244)	114,833	115,345	68,877

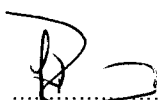
Tollbar Multi Academy Trust

(Registration number: 08085503)

Balance Sheet as at 31 August 2018

	Note	2018 £ 000	2017 £ 000
Fixed assets			
Tangible assets	13	114,477	69,753
Current assets			
Debtors	14	295	871
Cash at bank and in hand		5,808	3,528
		<u>6,103</u>	<u>4,399</u>
Creditors: Amounts falling due within one year	15	(96)	(1,191)
Net current assets		<u>6,007</u>	<u>3,208</u>
Total assets less current liabilities		<u>120,484</u>	<u>72,961</u>
Net assets excluding pension liability		120,484	72,961
Pension scheme liability	22	(5,139)	(4,084)
Net assets including pension liability		<u>115,345</u>	<u>68,877</u>
Funds of the Academy:			
Restricted funds			
Restricted general fund		(244)	(1,901)
Restricted fixed asset fund		114,833	70,085
		<u>114,589</u>	<u>68,184</u>
Unrestricted funds			
Unrestricted general fund		756	693
Total funds		<u>115,345</u>	<u>68,877</u>

The financial statements on pages 62 to 92 were approved by the Board of Trustees, and authorised for issue on 3 December 2018 and signed on their behalf by:


.....
Mr. P. Bond
Chair

Tollbar Multi Academy Trust

Statement of Cash Flows for the Year Ended 31 August 2018

	Note	2018 £ 000	2017 £ 000
Cash flows from operating activities			
Net cash provided by operating activities	18	2,368	875
Cash inflows/(outflows) from investing activities	19	(88)	(250)
Change in cash and cash equivalents in the year		2,280	625
Cash and cash equivalents at 1 September		3,528	2,903
Cash and cash equivalents at 31 August	20	5,808	3,528

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018

1 Accounting policies

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

Basis of preparation

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

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

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 company 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 Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Multi 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.

Income

All incoming resources are recognised when the Multi Academy Trust has entitlement to the funds, when the receipt is probable and when 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 period 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.

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Sponsorship income

Sponsorship income provided to the Multi Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

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 period it is receivable and to the extent the Multi Academy Trust has provided the goods or services.

Donated goods, facilities and services

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Transfer on conversion

Where assets and liabilities are received by the Multi 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 Multi Academy Trust. An equal amount of income is recognised as transfer on conversion within Donations and capital grant income to the net assets received.

Transfer of existing academies into the trust

Where assets and liabilities are received on the transfer of an existing Academy into the Multi Academy Trust, the transferred net 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 Multi Academy Trust. An equal amount of income is recognised for the transfer of an existing Academy into the Multi Academy Trust within Donations and capital grant income to the net assets acquired.

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

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.

All resources expended are inclusive of irrecoverable VAT.

Expenditure on raising funds

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

Charitable activities

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

Tangible fixed assets

Assets costing £2,000 or more are capitalised as tangible fixed assets and are carried at cost, net of depreciation and any provision for impairment.

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

Depreciation is provided on all tangible fixed assets other than freehold land and assets under construction, at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful lives, per the table below.

Assets in the course of construction are included at cost. Depreciation on these assets is not charged until they are brought into use and reclassified to freehold or leasehold land and buildings.

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.

Asset class

Freehold Buildings

Depreciation method and rate

50 years straight line

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Long Leasehold Land	Over the period of the lease
Long Leasehold Buildings	50 years straight line
Plant and Machinery	5 years straight line
Fixtures and Fittings	4 years straight line
Computer Equipment	3 years straight line

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

Provisions

Provisions are recognised when the Multi Academy Trust has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

Financial Instruments

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 14. Prepayments are not financial instruments.

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 notes 15. 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.

Taxation

The Multi Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

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

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Pension benefits

Retirement benefits to employees of the Multi 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 Multi Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. 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 Multi 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.

Fund accounting

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 Education & Skills Funding Agency and the Department for Education Group.

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.

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

1 Accounting policies (continued)

Critical accounting estimates and assumptions

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in the pension and similar obligations note, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2 Donations and capital grants

	Unrestricted funds £ 000	Restricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Other voluntary income				
Capital grants	-	3,339	3,339	584
Transfer from existing academy	-	24,240	24,240	-
Other donations	70	-	70	44
	<u>70</u>	<u>27,579</u>	<u>27,649</u>	<u>628</u>

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

3 Funding for the Academy Trust's educational operations

	Unrestricted funds £ 000	Restricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
DfE/ESFA revenue grants				
General Annual Grant (GAG)	-	25,411	25,411	18,942
Other DfE/ ESFA grants	-	2,304	2,304	1,648
	-	27,715	27,715	20,590
Other government grants				
Local authority grants	-	1,413	1,413	310
Non-government grants and other income				
Other income from the academy trust's operations	-	95	95	195
Total grants	-	29,223	29,223	21,095

4 Other trading activities

	Unrestricted funds £ 000	Restricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Hire of facilities	2	-	2	5
Other income	13	-	13	29
	15	-	15	34

5 Investment income

	Unrestricted funds £ 000	Restricted funds £ 000	2017/18 Total £ 000	2016/17 Total £ 000
Short term deposits	14	-	14	4
Rent received	16	-	16	17
	30	-	30	21

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

6 Expenditure

	Non Pay Expenditure			2017/18	2016/17
	Staff costs £ 000	Premises £ 000	Other costs £ 000	Total £ 000	Total £ 000
Expenditure on raising funds					
Allocated support costs	-	-	52	52	20
Academy's educational operations					
Direct costs	17,761	1,307	1,609	20,677	15,810
Allocated support costs	5,153	2,607	1,750	9,510	6,958
	<u>22,914</u>	<u>3,914</u>	<u>3,411</u>	<u>30,239</u>	<u>22,788</u>

Net income/(expenditure) for the year includes:

	2017/18 £ 000	2016/17 £ 000
Depreciation	2,813	1,741
(Gain)/loss on disposal of fixed assets	-	(3)
Auditors' remuneration - audit services	17	15
Auditors' remuneration - other services	10	10
	<u>10</u>	<u>10</u>

7 Charitable activities

	2017/18 £ 000	2016/17 £ 000
Direct costs - educational operations	20,676	15,810
Support costs - educational operations	9,510	6,958
	<u>30,186</u>	<u>22,768</u>

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

7 Charitable activities (continued)

	2017/18	2016/17
	Total	Total
	£ 000	£ 000
Analysis of support costs		
Support staff costs	5,153	3,900
Depreciation	1,506	583
Technology costs	398	303
Premises costs	1,101	1,047
Other support costs	1,269	1,040
Governance costs	83	85
Total support costs	<u>9,510</u>	<u>6,958</u>

8 Staff

Staff costs

	2017/18	2016/17
	£ 000	£ 000
Staff costs during the year were:		
Wages and salaries	17,457	13,377
Social security costs	1,494	1,158
Operating costs of defined benefit pension schemes	3,637	2,644
Apprenticeship levy	72	23
	<u>22,660</u>	<u>17,202</u>
Supply staff costs	97	81
Staff restructuring costs	157	37
	<u>22,914</u>	<u>17,320</u>

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

8 Staff (continued)

	2018 £ 000	2017 £ 000
Staff restructuring costs comprise:		
Settlement payments	126	13
Other restructuring costs	31	24
	157	37

Non statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £125,582 (2017: £13,000). Individually, the cumulative payments were as follows: £67,000 to five former employees made in September 2017, £8,000 to one former employee made in October 2017, £11,500 to one former employee made in January 2018, £18,000 to one former employee made in February 2018, £11,614 made to one former employee in March 2018 and £9,468 to one former employee made in April 2018.

Staff numbers

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

	2017/18 No	2016/17 No
Charitable Activities		
Teachers	357	283
Administration and support	309	291
Management	29	24
	695	598

Higher paid staff

The number of employees whose emoluments exceeded £60,000 was:

	2018 No	2017 No
£60,001 - £70,000	3	2
£70,001 - £80,000	2	3
£80,001 - £90,000	3	1
£90,001 - £100,000	-	1
£100,001 - £110,000	1	-
£180,001 - £190,000	1	1
	1	1

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

8 Staff (continued)

Key management personnel

The key management personnel of the Multi Academy Trust comprise the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) in respect of key management personnel for their services to the Multi Academy Trust was £749,138 (2017: £713,926).

9 Central services

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

- Personnel
- Finance
- School Improvement
- ICT
- Buildings and Resource Management

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

- Management Charges are made based on 6% of pupil-related ESFA funding
- Time spent by the Education Welfare Officers and School Improvement Officers
- Time spent by the Catering Manager and extra staffing as and when costs are incurred

The actual amounts charged during the year were as follows:

	31 August 2018	31 August 2017
	£ 000	£ 000
Tollbar Academy	1,782	1,585
Cleethorpes Academy	649	763
Reynolds Academy	312	457
Somercotes Academy	300	240
Theddlethorpe Academy	46	30
Pilgrim Academy	157	-
Louth Academy	325	-
Cordeaux Academy	219	-
	<hr/> 3,790	<hr/> 3,075

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

10 Related party transactions - trustees' remuneration and expenses

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

Mr D J Hampson OBE (Chief Executive and Trustee):

Remuneration: £190,000 - £195,000 (2017 - £185,000 - £190,000)

Employer's pension contributions: £0 - £5,000 (2017 - £0 - £5,000)

Mrs J C Hornby (staff Trustee):

Remuneration: £Nil (2017 - £15,000 - £20,000)

Employer's pension contributions: £Nil (2017 - £0 - £5,000)

Included in the salary above for Mr D J Hampson OBE is £9,000 relating to an honorarium payment authorised in the year ended 31st August 2018 (2017: £5,000).

During the year ended 31 August 2018, travel and subsistence expenses totalling £533 (2017 - £665) were reimbursed or paid directly to 3 trustees (2017 - 3).

Other related party transactions involving the trustees are set out in note 23.

11 Trustees' and officers' insurance

In accordance with normal commercial practice the Multi 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 £2,000,000 on any one claim and the cost for the year ended 31 August 2018 was £1,686 (2017 - £1,205). The cost of this insurance is included in the total insurance cost.

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

12 Statement of financial activities for prior year

	Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2016/17 Total £ 000
Income and endowments from:					
Voluntary income					
Donations and capital grants	2	44	-	584	628
Transfer from local authority on conversion		25	(568)	6,877	6,334
<i>Charitable activities:</i>					
Funding for the Multi Academy Trust's educational operations	3	-	21,095	-	21,095
Other trading activities	4	34	-	-	34
Investments	5	21	-	-	21
Total		124	20,527	7,461	28,112
Expenditure on:					
Raising funds	6	18	2	-	20
<i>Charitable activities:</i>					
Multi Academy Trust educational operations	7	-	21,026	1,742	22,768
Total		18	21,028	1,742	22,788
Net income/(expenditure)		106	(501)	5,719	5,324
Transfers between funds		-	(477)	477	-
Other recognised gains and losses					
Actuarial gains on defined benefit pension schemes	22	-	2,356	-	2,356
Net movement in funds		106	1,378	6,196	7,680
Reconciliation of funds					
Total funds/(deficit) brought forward at 1 September 2016		587	(3,279)	63,889	61,197

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

12 Statement of financial activities for prior year (continued)

Note	Unrestricted Funds £ 000	Restricted General Funds £ 000	Restricted Fixed Asset Funds £ 000	2016/17 Total £ 000
Total funds/(deficit) carried forward at 31 August 2017	693	(1,901)	70,085	68,877

13 Tangible fixed assets

	Freehold land and buildings £ 000	Leasehold land and buildings £ 000	Plant and machinery £ 000	Furniture and fixtures £ 000	Computer equipment £ 000	Total £ 000
Cost						
At 1 September 2017	38,622	33,234	846	586	2,623	75,911
Additions	2,224	223	180	182	654	3,463
Inherited assets	36,975	7,105	-	-	-	44,080
Disposals	-	-	(16)	-	-	(16)
At 31 August 2018	77,821	40,562	1,010	768	3,277	123,438
Depreciation						
At 1 September 2017	1,734	1,512	427	451	2,034	6,158
Charge for the year	1,308	743	171	86	505	2,813
Eliminated on disposals	-	-	(10)	-	-	(10)
At 31 August 2018	3,042	2,255	588	537	2,539	8,961
Net book value						
At 31 August 2018	74,779	38,307	422	231	738	114,477
At 31 August 2017	36,888	31,722	419	135	589	69,753

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

14 Debtors

	2018	2017
	£ 000	£ 000
Sundry debtors	4	7
VAT recoverable	239	212
Prepayments	52	652
	<u>295</u>	<u>871</u>

15 Creditors: amounts falling due within one year

	2018	2017
	£ 000	£ 000
Other creditors	3	37
Accruals and deferred income	93	1,154
	<u>96</u>	<u>1,191</u>

	2018	2017
	£ 000	£ 000
Deferred income		
Deferred income at 1 September 2017	1,125	409
Resources deferred in the period	48	1,125
Amounts released from previous periods	(1,125)	(409)
Deferred income at 31 August 2018	<u>48</u>	<u>1,125</u>

Deferred income relates to monies for the 2018-19 academic year and is entirely in relation to Pupil Statements.

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

16 Funds

	Balance at 1 September 2017 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2018 £ 000
Restricted general funds					
General Annual Grant (GAG)	2,183	25,878	(23,023)	(143)	4,895
Other ESFA restricted funds	-	1,866	(1,866)	-	-
Other restricted funds	-	1,508	(1,508)	-	-
Pension fund	(4,084)	(2,303)	(976)	2,224	(5,139)
	<u>(1,901)</u>	<u>26,949</u>	<u>(27,373)</u>	<u>2,081</u>	<u>(244)</u>
Restricted fixed asset funds					
Devolved formula capital grant	332	900	-	(876)	356
Assets acquired with PFS Grant	7,449	-	-	-	7,449
Other fixed assets on conversion/acquired	62,304	46,518	(2,813)	1,019	107,028
	<u>70,085</u>	<u>47,418</u>	<u>(2,813)</u>	<u>143</u>	<u>114,833</u>
Total restricted funds	68,184	74,367	(30,186)	2,224	114,589
Unrestricted funds					
Unrestricted general funds	693	115	(52)	-	756
Total funds	<u>68,877</u>	<u>74,482</u>	<u>(30,238)</u>	<u>2,224</u>	<u>115,345</u>

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

16 Funds (continued)

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

	Balance at 1 September 2016 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2017 £ 000
Restricted general funds					
General Annual Grant (GAG)	1,938	19,269	(18,547)	(477)	2,183
Other ESFA restricted funds	-	1,375	(1,375)	-	-
Other restricted funds	-	509	(509)	-	-
Pension fund	(5,217)	-	(1,223)	2,356	(4,084)
	(3,279)	21,153	(21,654)	1,879	(1,901)
Restricted fixed asset funds					
Devolved formula capital grant	111	608	-	(387)	332
Assets acquired with PFS Grant	7,449	-	-	-	7,449
Other fixed assets on conversion/acquired	56,329	6,853	(1,742)	864	62,304
	63,889	7,461	(1,742)	477	70,085
Total restricted funds	60,610	28,614	(23,396)	2,356	68,184
Unrestricted funds					
Unrestricted general funds	587	124	(18)	-	693
Total funds	61,197	28,738	(23,414)	2,356	68,877

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

16 Funds (continued)

A current year 12 months and prior year 12 months combined position is as follows:

	Balance at 1 September 2016 £ 000	Incoming resources £ 000	Resources expended £ 000	Gains, losses and transfers £ 000	Balance at 31 August 2018 £ 000
Restricted general funds					
General Annual Grant (GAG)	1,938	45,147	(41,570)	(620)	4,895
Other ESFA restricted funds	-	3,241	(3,241)	-	-
Other restricted funds	-	2,017	(2,017)	-	-
Pension fund	(5,217)	(2,303)	(2,199)	4,580	(5,139)
	<u>(3,279)</u>	<u>48,102</u>	<u>(49,027)</u>	<u>3,960</u>	<u>(244)</u>
Restricted fixed asset funds					
Devolved formula capital grant	111	1,508	-	(1,263)	356
Assets acquired with PFS Grant	7,449	-	-	-	7,449
Other fixed assets on conversion/acquired	56,329	53,371	(4,555)	1,883	107,028
	<u>63,889</u>	<u>54,879</u>	<u>(4,555)</u>	<u>620</u>	<u>114,833</u>
Total restricted funds	60,610	102,981	(53,582)	4,580	114,589
Unrestricted funds					
Unrestricted general funds	587	239	(70)	-	756
Total funds	<u>61,197</u>	<u>103,220</u>	<u>(53,652)</u>	<u>4,580</u>	<u>115,345</u>

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

16 Funds (continued)

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

General Funds represent those resources which may be used towards meeting any of the objects of the Trust at the discretion of the trustees. These are not currently designated for particular purposes.

General Annual Grant is made up of a number of different funding streams all of which are to be used to cover the running costs of the Trust. There are no limits on the amounts that can be carried forward in these funding streams.

Other ESFA Restricted Funds represent funding received from the ESFA for specific projects.

Other Restricted Funds represent all other restricted funds received which must be used for the purpose intended.

Pension Reserve represents the current deficit balance of the Local Government Pension Scheme.

PFS Grant represents the amount of funding received from PFS to be spent in future years.

Assets Acquired with PFS Grant represents the net book value of property and computer equipment purchased to date using PFS funding.

Devolved Formula Capital Grants represents funding received for capital projects which remains unspent at the end of the period.

Other Fixed Assets on Conversion / Acquired represents the net book value of assets acquired on conversion and during the period.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31st August 2018.

During the year, transfers were made between the fixed asset funds and restricted general funds to reflect capital additions purchased from General Annual Grant.

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

16 Funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2018 were allocated as follows:

	2018 £ 000	2017 £ 000
Tollbar Academy	1,530	1,175
Cleethorpes Academy	670	431
Reynolds Academy	427	438
Somercotes Academy	244	104
Theddlethorpe Academy	139	142
Pilgrim Academy	182	122
Louth Academy	280	-
Cordeaux Academy	307	-
Central Services	1,872	464
Total before fixed assets and pension reserve	5,651	2,876
Restricted fixed asset fund	114,833	70,085
Pension reserve	(5,139)	(4,084)
Total	115,345	68,877

Analysis of academies by cost

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

	Teaching and Educational Support Staff Costs £ 000	Other Support Staff Costs £ 000	Educational Supplies £ 000	Other Costs (excluding Depreciation) £ 000	Total 2018 £ 000
Tollbar Academy	6,406	1,213	398	666	8,683
Cleethorpes Academy	3,084	613	212	354	4,263
Reynolds Academy	1,259	283	73	217	1,832
Somercotes Academy	1,369	261	112	202	1,944
Theddlethorpe Academy	264	59	30	58	411
Pilgrim Academy	771	268	42	161	1,242
Louth Academy	1,918	399	436	(57)	2,696
Cordeaux Academy	1,934	422	107	379	2,832
Central services	629	1,762	195	937	3,523
Multi Academy Trust	17,634	5,280	1,605	2,917	27,426

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

17 Analysis of net assets between funds

Fund balances at 31 August 2018 are represented by:

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	114,477	114,477
Current assets	756	4,991	356	6,103
Current liabilities	-	(96)	-	(96)
Pension scheme liability	-	(5,139)	-	(5,139)
Total net assets	756	(244)	114,833	115,345

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

	Unrestricted funds £ 000	Restricted general funds £ 000	Restricted fixed asset funds £ 000	Total funds £ 000
Tangible fixed assets	-	-	69,753	69,753
Current assets	693	3,374	332	4,399
Current liabilities	-	(1,191)	-	(1,191)
Pension scheme liability	-	(4,084)	-	(4,084)
Total net assets	693	(1,901)	70,085	68,877

18 Reconciliation of net income to net cash inflow/(outflow) from operating activities

	2017/18 £ 000	2016/17 £ 000
Net income	44,244	5,324
Depreciation	2,814	1,741
Capital grants from DfE and other capital income	(3,339)	(584)
Interest receivable	(14)	(4)
Rents received	(16)	(17)
Defined benefit pension scheme cost less contributions payable	807	516
Defined benefit pension scheme finance cost	169	118
Transfer from existing academy	(24,240)	-
Transfer from local authority on conversion	(17,565)	(6,334)
Decrease/(increase) in debtors	572	(667)
(Decrease)/increase in creditors	(1,093)	683
Profit on disposal of tangible fixed assets	-	(3)
Cash transferred on conversion to an academy trust	29	102

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

18 Reconciliation of net income/(expenditure) to net cash flow from operating activities (continued)

	2017/18 £ 000	2016/17 £ 000
Net cash provided by Operating Activities	2,368	875

19 Cash flows from investing activities

	2017/18 £ 000	2016/17 £ 000
Rents received	16	17
Purchase of tangible fixed assets	(3,463)	(869)
Proceeds from sale of tangible fixed assets	6	14
Capital funding received from sponsors and others	3,339	584
Interest received	14	4
Net cash used in investing activities	(88)	(250)

20 Analysis of cash and cash equivalents

	2018 £ 000	2017 £ 000
Cash at bank and in hand	5,808	3,528
Total cash and cash equivalents	5,808	3,528

21 Members' liability

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

22 Pension and similar obligations

The Multi 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 Eat Riding of Yorkshire County Council. Both are multi-employer defined benefit schemes.

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

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

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

22 Pension and similar obligations (continued)

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

The key elements of the valuation and subsequent consultation are:

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

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

The employer's pension costs paid to TPS in the period amounted to £2,001,211 (2017: £1,454,244). A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

22 Pension and similar obligations (continued)

Local government pension scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £1,082,000 (2017 - £865,000), of which employer's contributions totalled £840,000 (2017 - £677,000) and employees' contributions totalled £242,000 (2017 - £188,000). The agreed contribution rates for future years are 17.3% per cent for employers and between 5.5% and 12.5% per cent for employees.

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

Principal actuarial assumptions

	2018 %	2017 %
Rate of increase in salaries	2.68	2.65
Rate of increase for pensions in payment/inflation	2.37	2.40
Discount rate for scheme liabilities	2.80	2.50

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

	2018	2017
Retiring today		
Males	21.9	21.8
Females	24.3	24.3
Retiring in 20 years		
Males	23.9	23.8
Females	26.5	26.5

Sensitivity analysis

	2018 £000	2017 £000
0.5% decrease in discount rate	383	444
0.5% increase in salary increase rate	67	80
0.5% increase in pension increase rate	312	357

The Multi Academy Trusts share of the assets in the scheme were:

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

22 Pension and similar obligations (continued)

	2018	2017
	£ 000	£ 000
Equities	10,546	7,372
Corporate bonds	1,967	1,339
Property	1,718	1,127
Cash and other liquid assets	369	498
Total market value of assets	<u>14,600</u>	<u>10,336</u>

The actual return on scheme assets was £598,000 (2017 - £1,227,000).

Amounts recognised in the statement of financial activities

	2017/18	2016/17
	£ 000	£ 000
Current service cost	1,647	1,193
Interest income	(331)	(172)
Interest cost	500	290
Total amount recognised in the SOFA	<u>1,816</u>	<u>1,311</u>

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

	2017/18	2016/17
	£ 000	£ 000
At start of period	14,420	13,194
Conversion of academy trusts	1,311	869
Transferred in on existing academies joining the trust	3,466	-
Current service cost	1,632	1,193
Interest cost	500	290
Employee contributions	242	188
Actuarial (gain)/loss	(1,626)	(1,129)
Benefits paid	(222)	(185)
Past service cost	15	-
At 31 August	<u>19,738</u>	<u>14,420</u>

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

22 Pension and similar obligations (continued)

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

	2017/18 £ 000	2016/17 £ 000
At start of period	10,336	7,977
Conversion of academy trusts	497	280
Transferred in on existing academies joining the trust	1,977	-
Interest income	331	172
Actuarial gain/(loss)	598	1,227
Employer contributions	840	677
Employee contributions	242	188
Benefits paid	(222)	(185)
At 31 August	<u>14,599</u>	<u>10,336</u>

23 Related party transactions

Owing to the nature of the Multi Academy Trust and the composition of the board of governors 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 in accordance with the requirements of the Academies Financial Handbook and with the Multi Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions. The following related party transactions took place in the year.

A Hampson, spouse of D Hampson, a trustee, is employed by the Multi Academy Trust as Chief Finance Officer. A Hampson's appointment was made in open competition and D Hampson was not involved in the decision making process. A Hampson is paid within the normal pay scale for her role and receives no special treatment as a result of her relationship to a trustee.

24 Additions to the Multi Academy Trust - transfers

On 1 September 2017 Cordeaux Academy was transferred to Tollbar Multi Academy Trust from Academies Enterprise Trust. The transfer was accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance Sheet under the appropriate headings with a corresponding net amount recognised in incoming resources in the Statement of Financial Activities.

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.

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

24 Additions to the Multi Academy Trust - transfers (continued)

	Value reported by transferring academy trust £ 000	Fair value adjustments £ 000	Transfer in recognised £ 000
Tangible fixed assets			
Freehold land and buildings	5,852	12,773	18,625
Leasehold land and buildings	2,232	4,872	7,104
	<u>8,084</u>	<u>17,645</u>	<u>25,729</u>
Pensions			
Pensions – pension scheme assets	1,977	-	1,977
Pensions – pension scheme liabilities	(3,466)	-	(3,466)
	<u>(1,489)</u>	<u>-</u>	<u>(1,489)</u>
Net assets	<u>6,595</u>	<u>17,645</u>	<u>24,240</u>

On 1 September 2017, the Multi Academy Trust obtained a professional valuation in respect of the land and buildings at Cordeaux Academy to establish a fair value of the assets transferred in. As a result of this valuation, there has been a fair value uplift on previously reported land and buildings.

25 Events after the end of the reporting period

On 1 September 2018, Louth Academy and Cordeaux Academy have merged to become a single Academy within the MAT.

26 Additions to the Multi Academy Trust - conversion

On 1 September 2017 Monks' Dyke Tennyson College converted to academy status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Tollbar Multi Academy Trust from the Lincolnshire County Council for £Nil consideration.

The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding net amount recognised as net incoming resources in the Statement of Financial Activities as Donations - transfer from local authority on conversion.

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

Tollbar Multi Academy Trust

Notes to the Financial Statements for the Year Ended 31 August 2018 (continued)

26 Additions to the Multi Academy Trust - conversion (continued)

	Restricted general fund £ 000	Restricted fixed asset fund £ 000	Total £ 000
Tangible fixed assets			
Freehold land and buildings	-	18,350	18,350
Budget surplus on LA funds	29	-	29
LGPS pension deficit	(814)	-	(814)
Net (liabilities)/assets	<u>(785)</u>	<u>18,350</u>	<u>17,565</u>

The above net assets include £28,802 that were transferred as cash.