

THE DIOCESE OF COVENTRY MULTI-ACADEMY TRUST
(A Company Limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2015

Company Limited by Guarantee
Registration Number: 08422015
(England & Wales)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, TRUSTEES AND ADVISORS

Trustees	A J Kennedy - Chair (appointed 1 December 2014) D Morris - Chief Executive Officer R H Pogson S J Lloyd L Wainscot J A Wade P E Law R Medwell (appointed 21 April 2015) D J Briggs - (resigned 14 May 2015)
Company Secretary	J R Baker
Central MAT - Senior Management Team	
Chief Executive Officer	D Morris
Head of Finance	M Nisbet
Stretton Church of England Academy	
Headteacher	S Bates
St Laurence's Church of England Primary School	
Head of School	J Jennings
St Bartholomew's Church of England Academy	
Headteacher	S Rayson
Queens Church of England Primary Academy	
Headteacher	H Carvell
Harris Church of England Academy	
Headteacher	M Stoppard
St James's Church of England Academy	
Headteacher	M Cuskelly
St Nicolas Church of England Primary School	
Headteacher	T McGeever
Studley St Mary's Church of England Academy	
Headteacher	S Lambert
St John's Church of England Academy	
Headteacher	G Watson
St Michael's Church of England Academy	
Headteacher	C Errington
St Oswald's Church of England Academy	
Headteacher	H Lorimer

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, TRUSTEES AND ADVISORS
(Continued)**Principal Address**

Diocese of Coventry Multi-Academy Trust
The Benn Education Centre
Claremont Road
Rugby
CV21 3LU

Academy Addresses

Stretton Church of England Academy
Stretton Avenue
Willenhall
Coventry
CV3 3AE

St Laurence's Church of England Primary School
Old Church Road
Coventry
CV6 7FN

St Bartholomew's Church of England Academy
Bredon Avenue
Coventry
CV3 2LP

Queens Church of England Academy
Bentley Road
Nuneaton
CV11 5LR

Harris Church of England Academy
Harris Drive
Rugby
CV22 6EA

St James Church of England Academy
Barbridge Road
Bulkinton
CV12 9PF

St Nicolas Church of England Academy
Windemere
Nuneaton
CV11 6HJ

Studley St Mary's Church of England Academy
New Road
Studley
B80 7ND

St John's Church of England Academy
Winsford Avenue
Coventry
CV5 9HZ

REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY, TRUSTEES AND ADVISORS
(Continued)**Academy Addresses (Continued)**

St Michael's Church of England Academy
Hazel Grove
Bedworth
Warwickshire
CV12 9DA

St Oswald's Church of England Academy
Addison Road
Rugby
Warwickshire
CV22 7DJ

Registered Office

The Benn Education Centre
Claremont Road
Rugby
CV21 3LU

Company Registration Number

8422015

Independent Auditor

UHY Hacker Young (Birmingham) LLP
9-11 Vittoria Street
Birmingham
B1 3ND

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2015

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2015. The trust operates a multi academy trust (MAT) for pupils aged 5 to 16 serving a catchment area in Rugby, Coventry, Nuneaton and Studley. The MAT comprises 12 schools with a pupil capacity and roll on 16 January 2014 as follows for: Stretton Church of England Academy (capacity:210, roll:187), St Laurence's Church of England Primary School (capacity:420: roll:402), St Bartholomew's Church of England Academy (capacity:442: roll:332), Queens Church of England Primary School (capacity:240 roll: 222), Harris Church of England Academy (capacity:900 roll:679), St James's Church of England Academy (capacity:240 roll:230), St Nicolas Church of England Primary School (capacity:420 roll:423), Studley St Mary's Church of England Academy (capacity:240 roll:216), St John's Church of England Academy (capacity :210 roll:197), St Michael's Church of England Academy (capacity :395 roll:353) and St Oswald's Church of England Academy (capacity :236 roll:214).

STRUCTURE, GOVERNANCE AND MANAGEMENT**Constitution**

The multi academy trust is a company limited by guarantee with no share capital (Registration Number: 08422015) and is 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 The Diocese of Coventry Multi-Academy Trust Limited are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Diocese of Coventry Multi-Academy Trust.

Details of the trustees who served during the year except as noted are included in the Reference and Administrative Details on pages 3-5.

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.

Trustees' Indemnities

The Diocese of Coventry Multi-Academy Trust has in place Directors and Trustees liability insurance indemnity cover to a limit of £1m.

Principal Activities

In line with the Church of England Foundation, The Diocese of Coventry Multi-Academy Trust, works in partnership with young people, parents and carers to ensure that:

- Every lesson to be good or better.
- Every child to make at least, and for many, above national expectations in both attainment and progress.
- Every academy to be well led and governed.
- All teachers motivated to self-improve and aspire to excellence.
- All academies to be judged good or better at Section 48 Inspections.

Method of Recruitment and Appointment or Election of Trustees

There are clearly defined and approved procedures for the selection and appointment of trustees which are outlined in the company's Articles of Association. These include application, shortlisting and interview procedures. Consideration is given to the skills of trustees which would enhance the effectiveness of the trust.

With regard to Parent and Staff representation, procedures are in place for nomination and election of the local governing board members as part of local governing bodies of the academies.

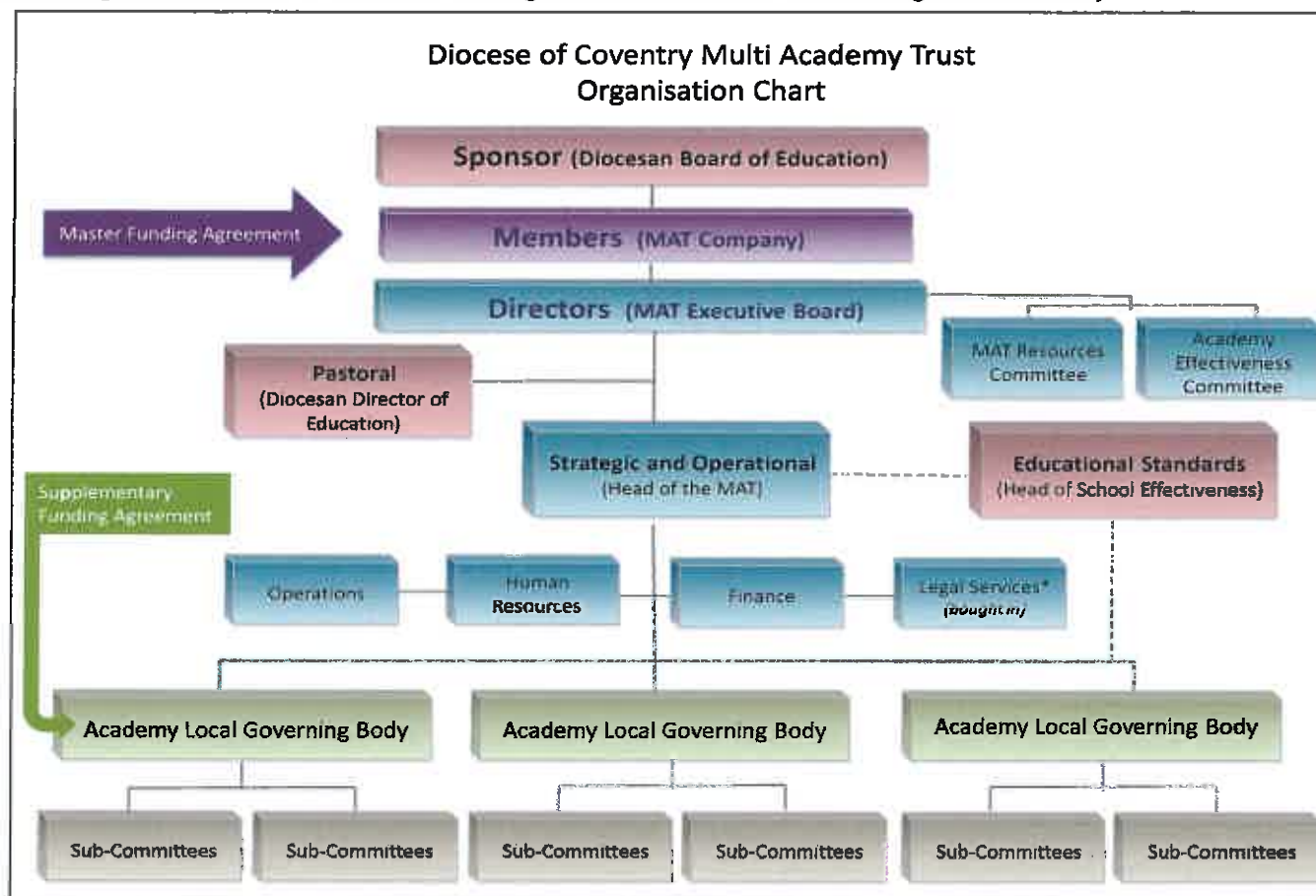
Policies and Procedures Adopted for the Induction and Training of Trustees

An induction pack containing relevant documentation needed to undertake the role is being developed so that it can be provided to all newly appointed trustees. The induction pack describes their role as a trustee and gives some basic information about the academies including the local governing bodies. Training for trustees is undertaken depending on their experience.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

Organisational Structure

The structure consists of the following levels: the members, the directors (trustees), the MAT officers and Academy Local Governing Bodies. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels whilst maintaining accountability.



The trustees are responsible for upholding the Christian Foundation, setting general policy, adopting an annual plan and budget, monitoring the academies through the use of budgets and making major decisions about the direction of the academies, capital expenditure and staff appointments.

The trustees control the academies at an executive level, whilst the Senior Leadership Teams in each academy (Executive Head teachers, Head teachers and Deputies) implement the policies laid down by the trustees and report back to them. The Senior Leaders are responsible, in line with the Trust Schemes of Delegation, for the authorisation of spending within agreed budgets and the appointment of the majority of

Connected Organisations, including Related Party Relationships

The Diocese of Coventry Multi-Academy Trust was incorporated on 27 February 2013 and became a multi academy trust from 1 April 2013 including under its control Stretton Church of England Academy, St Laurence's Church of England Primary School, St Bartholomew's Church of England Academy, Queens Church of England Academy, Harris Church of England Academy, St James Church of England Academy, St Nicolas Church of England Academy and Studley St Mary's Church of England Academy. During the year a number of other Church of England schools from the Coventry and Warwickshire area have joined the MAT.

- St John's Church of England Academy
- St Michael's Church of England Academy
- St Oswald's Church of England Academy

In addition to the schools detailed above, there are plans for further Church of England primary schools from the Coventry and Warwickshire area to join the multi academy trust from 1 September 2015.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)**OBJECTIVES AND ACTIVITIES****Objects and Aims**

The multi academy trust's objects are specifically restricted to the following: -

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 with a designated Church of England religious character ("the Academies") offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England both generally and in particular in relation to arranging for religious education and daily acts of worship (as required by the relevant funding agreement), and in having regard to the advice of the Diocesan Board of Education.

All Academies in the Diocese of Coventry Multi Academy Trust will be recognised for their distinctive and inclusive Christian ethos and for the impact that this has on raising educational standards. Each Academy will demonstrate its Christian distinctiveness by providing an inspirational and holistic education which enables all children and staff to develop and achieve to their full potential.

We will achieve our aims by ensuring that Academies within the Trust are:

- Transformational
- Aspirational
- Sustainable
- Motivational
- Purposeful

Strategies and Activities

To meet these priorities the Trust has appointed an operational team who have adopted a number of strategies and activities that include: -

- Identify with individual academies what a good and outstanding lesson look like.
- Implement a standard template for monitoring and reporting progress of each child.
- Encourage outwardly facing Senior Leaders, who seek best practice from cutting-edge and innovative schools (both within the Multi-Academy Trust but also with the wider Diocesan family and nationally).
- Introduce and embed the Diocesan school improvement model to develop quality teaching within the academies.
- Work in partnership with the Diocesan Board of Education to develop the Christian distinctiveness of each Academy so that they can provide an inspirational and holistic education which enables all children and staff to develop and achieve to their full potential.
- Offer central support with recruitment of staff, particularly in the areas of finance and senior leadership.

Public Benefit

Trustees have consideration to the Charity's Commission's general guidance on public benefit and in particular to its supplementary guidance on education. As noted above, the multi academy trust's objective is to advance for the public benefit education in the United Kingdom.

STRATEGIC REPORT**Achievements and Performance**

The Diocese of Coventry Multi Academy Trust achievements in 2014-15 include:

- conversion of a further 3 schools to academy status
- the ongoing work undertaken in developing a shared services model to realise economies of scale and reduce costs for the academies
- the ongoing close working relationship between the academies and sponsor to share knowledge and expertise, to seek out best practice and to realise the vision of the Trust.
- St Johns and Queens both achieved good grades at SIAMS this year.
- Further development of the School to School support model to minimize the amount of reliance on external providers.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)**Stretton Church of England Academy**

Stretton Church of England Academy is now an outstanding Academy after receiving an outstanding judgment from OFSTED in February this year. This has been achieved through outstanding leadership and teaching. The Academy has also now been able to expand the curriculum and life opportunities for the children within the Academy throughout the year. The Academy has appointed a full time sports coordinator which has had an instant impact on the children. They have won the Coventry Schools football competition for the first time and a number of children were given an opportunity to perform the Haka in front of 20,000 people before a Wasps rugby game. Singing has also become an integral part of the Academy life resulting in the children singing in the Birmingham symphony hall and also in Wolston Church to sing with Wolston Choir. The Academy has taken a lead in helping some of the other Academies within the Trust.

St. Laurence's Church of England Primary School

The academic year 2014/15, whilst providing many challenges for the staff, governors and families of the school community was also a successful one for the School. The hardworking and dedicated staff ensured that they maintained a 'Good' Ofsted judgment whilst parental engagement was at a high with celebration assemblies, 'come and share' sessions and family services all being well attended. This parental involvement has seen the establishment of the St Laurence's PTA who, we hope, will further cement the strong relationship between families and the school.

Mr Meikle, the Assistant Head Teaching with responsibility for Teaching and Learning was nominated in the Pearson Teacher of the year awards and we were able to join with the wider community, including the DBE to celebrate his success. Whilst he did not achieve the ultimate accolade this was a just reward for an outstanding teacher who has helped, and continues to help, improve the standards and quality of education for all our learners.

St Bartholomew's Church of England Academy

St Bartholomew's Church of England Academy had their first OFSTED inspection since becoming an Academy and received a Requires Improvement judgment with a number of good points noted within the report. This is a marked improvement from the special measures judgment the Academy received before it became an Academy.

Last year the Academy introduced a Protective Behaviours programme to staff and children. This programme equips people with skills to keep themselves safe, recognise different types of risk and to build effective networks for help and support. This has had a huge impact in the Academy and has been embedded into the Behaviour policy and practice at the Academy. The Ofsted inspectors recognised that the children were able to talk about safety and risk with understanding and confidence. Work is still on-going to build on successes so far.

The Academy held a Give It a Go week in June, organised by their Sports Specialist. He is partly funded by the PE grant. A huge range of different providers came into school throughout the week, and all the children accessed different sporting opportunities. These included golf with a professional from Binley Woods Golf Club, Cheerleading and Lacrosse from Warwick University, American football, Rugby from the Wasps, Judo and dance classes and football opportunities from Coventry City FC. This enabled the Academy to broaden children's experience of sport and to raise their awareness of health and fitness. It also helped to build confidence and promote learning behaviours such as perseverance, trying new things, working hard and pushing yourself. These learning behaviours are the basis of St Bartholomew's Secrets of Success personal development programme.

The Academy has worked very hard on improving parental engagement, holding a Christmas Tree Trim where families make Christmas crafts together, Fun with Fathers evenings, open classrooms throughout the year, Christmas and Harry Potter themed book evenings and a very successful Summer Picnic event. This went alongside adult learning classes in the Academy to help parents support their children more effectively.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)**Queens Church of England Academy**

Queens Church of England Academy has continued to improve throughout the year and received a Good judgment in its SIAMS inspection this year. There is a continued upward trend of both attainment and progress at the end of Key Stage 2.

The hard work within the community has had a dramatic impact on the number of children applying to join the Academy as the number of pupils wanting to join has more than doubled in the last year. This has been achieved through partnership with the teachers, parents, the Multi Academy Trust and the local church. The Academy has been renovated to become an effective and purposeful learning environment that motivates the children to aspire and learn.

Sports and after school clubs have become an important tool to inspire the children and parents to want to succeed and the Academy has had a lot of success in sports this year for the both the boys and girls teams. The Academy has also shared their sports coach to a number of feeder schools locally to strengthen the links between them.

The Academy has worked with the staff and children to develop a passport with 50 promises that the Academy will deliver to promote the spiritual moral social and cultural development of each child.

Harris Church of England Academy

In the last academic year Harris Church of England Academy was pleased to hold a number of events for staff, parents, pupils and the community. Year 7 pupils were involved in two major activities with the entire year taking part in a performance of Les Miserable for over 500 people including a number of local primaries over a two day period. The Academy was also fortunate enough to be invited to become involved with the renovation of Dunchurch Church with all year 7 pupils spending a day with masons and other craftsmen looking at traditional building techniques.

As part of the Academy's push on academic excellence a number of students in year 9 went to Cambridge University for a gifted and talented day based around experimental physics. The Academy was also proud to host a number of STEM activities, including an Aston Martin project day led by the company itself, a HS2 engineering day for all year 9 students and a number of residential activities via the Smallpiece Engineering trust and E-ON for selected students. The Academy also organised a drama trip for students to Barcelona. Harris students achieved recognition at County and District level in Rugby as well as Football this year. Alongside this Harris is in partnership with the English RFU to provide coaching to develop girls rugby in the Academy and have secured sponsorship from the Space Centre in Leicester to become only the second school in England to send a balloon into space.

St James Church of England Academy

St James Church of England Academy has continued to grow and develop throughout the year. The Academy has been recognised for its good work in March when it received a Good judgment from its SIAMS inspection. The results have also continued to improve with increases in reading, writing and maths combined at Key Stage 2. Writing moderation last year in year 6 had a marked improvement of 10% to 88% due to the hard work of the staff and children.

The Academy was successful in appointing a Headteacher this year who has been instrumental in the progress within the Academy. She has also been very successful strengthening relationships and rebuilding the reputation of the academy within the local community. Through the effective work of the PTA £5,000 has been raised for a fitness trail and the Academy won first prize for their float in the local carnival.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2014 (cont'd)**St Nicolas Church of England Academy**

St Nicolas Church of England Academy continues to excel both academically and through sport.

The year 2014/15 started with the school garden/conservation area being transformed by the pupils and staff from Severn Trent Water. This was a fantastic project that enabled learning to be fun whilst also caring for the school environment. An army of staff from Severn Trent Water, along with the pupils, transformed the area in just one day adding a new pond, some raised beds and a seating area.

In October the Academy celebrated harvest festival and collected over 200 tins and jars for Nuneaton food bank. As part of the Christmas celebrations the children sent 150 Christmas shoe boxes via 'Operation Christmas Child' to needy children around the world. Also in December, staff from Greggs Bakery spent a day in school painting the school hall as part of their national community project. January saw Year 6 pupils visit London for a tour of the Houses of Parliament with the local MP, Marcus Jones. They also had a guided tour of Westminster Abbey. In February a state of the art fiction library was built with a £10,000 donation from the PTA. In March the Academy received special recognition from David Laws, the Minister for State Schools, for the work done with disadvantaged pupils. The year ended with the extremely talented Year 6 pupils performing 'Romeo and Juliet' at Abbey Arts Centre, Nuneaton for 2 nights to packed out audiences.

Studley St Mary's Church of England Academy

Studley St Mary's Church of England Academy continues to grow stronger this year with a marked improvement in Academic results.

The SATs results for 2014-15 show a rising trend across the board over the past three years, particularly at Level 4+ where results have improved consistently, reflecting the positive impact of the initiatives outlined in the Learning Improvement Plans. All results improved and almost all were at or above national. The proportion of pupils achieving 'Good L4' has risen from 52% (2013) to 73% (2015) which is higher than Warwickshire figures and above national. The Academy is particularly delighted with the achievements of their disadvantaged pupils who achieved higher than those in Warwickshire schools and nationally.

Year 6 this year were given the task of creating their own businesses to raise money for the end of year ball. This task was nicknamed the Enterprise Project. In small groups, their first challenge was to plan a service or product that they could sell to other pupils and the teachers. They proved to be very imaginative and creative whilst conjuring up their businesses. On Monday 6th July their finished products were launched out to the school for everyone to purchase or hire and all profits went straight to the Events and Fundraising Team to fund the end of year ball – this year entitled the 'SNOWBALL'.

St John's Church of England Academy

St John's Church of England Academy has had a really challenging year under the leadership of a new Head teacher and Deputy Head who have ensured that the Academy continues to improve.

The end year results for both Key Stage 1 and Key stage 2 were very good for both attainment and progress. Key stage 2 results were exceptionally strong. The results were the best results the school has ever had and were also one of the strongest set of results across the whole of Coventry.

The school staffing structure has been changed over the summer, with the introduction of a new Assistant Head, SENCO and Standards Leaders for KS1 and KS2. The school's capacity to enhance the quality of teaching and learning has greatly improved. The new staff have settled well and have already started to make a good impact within the school.

Over the summer a Forest School has been built and the reception teacher, Mrs Jones has become qualified Forest Schools Leader. Reception will be the first class to experience this style of outdoor learning. The rest of the school will be given the opportunity to develop their learning through the Forest School throughout the year.

Samaritan's Purse is an international relief and development organisation that works through local churches to proclaim and demonstrate the love of God amongst communities in Africa, Eastern Europe and Central Asia. The children of St John's were able to donate shoe boxes packed with gifts such as: toys, stationery, chocolates, soap, and gloves for children around the world who will not be getting anything this Christmas.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

St Michael's Church of England Academy

St Michael's joined the Diocese of Coventry Multi Academy Trust as a sponsored academy on 1st July 2015. An Executive Headteacher has been appointed for a one year period to strengthen leadership and accelerate rapid improvement at the school. Support has been provided by the MAT for the appointment of a strong Deputy Headteacher who was in place for the start of the new academic year. Work has begun with the School Improvement Partner and Executive Headteacher to ensure accurate self-evaluation and impact of the school development plan.

St Oswald's Church of England Academy

St Oswald's joined the Diocese of Coventry Multi Academy Trust as a sponsored academy on 1st July 2015. Initial work has focussed on HR support to secure the stability and retention of staff. During the summer the Reception classroom was refurbished and refitted to provide a positive workspace for the staff and children. Work has begun with the School Improvement Partner to support school improvement planning and evaluating the impact of the assertive mentoring programme.

Key Financial Performance Indicators

The trust established a financial budget at the start of the year and then monitored performance against budget during the period. Further financial and non-financial indicators will be introduced as the trust develops. It is anticipated that benchmarking will be a key tool in ensuring the academy is delivering value for money.

Stretton Church of England Academy	2015	2014
Pupil numbers	187	174
Staff costs as a % of total revenue grant income	69%	66%
Staff costs as a % of total costs	76%	67%
Capital expenditure per pupil	£995	£517
St Laurence's Church of England Primary School	2015	2014
Pupil numbers	402	387
Staff costs as a % of total revenue grant income	66%	72%
Staff costs as a % of total costs	70%	75%
Capital expenditure per pupil	£724	£346
St Bartholomew's Church of England Academy	2015	2014
Pupil numbers	332	303
Staff costs as a % of total revenue grant income	67%	60%
Staff costs as a % of total costs	68%	72%
Capital expenditure per pupil	£488	£409
Queens Church of England Academy	2015	2014
Pupil numbers	204	140
Staff costs as a % of total revenue grant income	79%	57%
Staff costs as a % of total costs	71%	66%
Capital expenditure per pupil	£838	£457
Harris Church of England Academy	2015	2014
Pupil numbers	679	841
Staff costs as a % of total revenue grant income	84%	67%
Staff costs as a % of total costs	75%	81%
Capital expenditure per pupil	£300	£306
St James Church of England Academy	2015	2014
Pupil numbers	222	230
Staff costs as a % of total revenue grant income	85%	67%
Staff costs as a % of total costs	75%	80%
Capital expenditure per pupil	£775	-

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

Key Financial Performance Indicators (cont'd)

	2015	2014
St Nicolas Church of England Academy		
Pupil numbers	423	420
Staff costs as a % of total revenue grant income	81%	67%
Staff costs as a % of total costs	75%	77%
Capital expenditure per pupil	£139	£10
Studley St Mary's Church of England Academy		
Pupil numbers	216	215
Staff costs as a % of total revenue grant income	81%	48%
Staff costs as a % of total costs	73%	76%
Capital expenditure per pupil	£1,148	£51
St John's Church of England Academy		
Pupil numbers	197	N/A
Staff costs as a % of total revenue grant income	77%	N/A
Staff costs as a % of total costs	68%	N/A
Capital expenditure per pupil	£46	N/A
St Michael's Church of England Academy		
Pupil numbers	353	N/A
Staff costs as a % of total revenue grant income	73%	N/A
Staff costs as a % of total costs	73%	N/A
Capital expenditure per pupil	£0	N/A
St Oswald's Church of England Academy		
Pupil numbers	214	N/A
Staff costs as a % of total revenue grant income	61%	N/A
Staff costs as a % of total costs	61%	N/A
Capital expenditure per pupil	£0	N/A

Going Concern

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

FINANCIAL REVIEW

Overview

The principal source of funding for the academy is the General Annual Grant. Most of the multi academy trust income is obtained from the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2015 and the associated expenditure are shown as restricted funds in the statement of financial activities.

The multi academy trust also receives grants for fixed assets from the EFA. In accordance with the Charities Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP 2005), such grants are shown in the Statement of Financial Activities as restricted income in the fixed asset fund. The restricted fixed asset fund balance is reduced by annual depreciation charges over the expected useful life of the assets concerned.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)**Overview (cont'd)**

At 31 August 2015 the net book value of fixed assets was £47,672,000 (2014:£36,096,000) and movements in tangible fixed assets are shown in note 14 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academy.

The Local Government Pension Scheme (LGPS) figures as at 31 August 2015 are based on projecting forward the estimated position at 1 September 2014 and assuming that the experience over the period, apart from investment returns, has been in line with the assumptions made at the start of the period.

The estimated FRS17 deficit at 31 August 2015 is £6,791,000 which compares to a deficit of £4,615,000 at 31 August 2014.

The main reason for the increase in the deficit is because of:

- lower assumed rate of salary increases;
- higher assumed rate of future deferred pension revaluation and pension increases in payment;
- the difference between employer contributions and the service cost over the year;
- asset return over the year different to assumptions;
- assets at the date of admission to the fund were on a partially funded rather than fully funded basis;
- increased longevity of retiring members.

It should be noted that the balance sheet, profit and loss and statement of recognised gains and losses figures will be volatile over time. This is generally because the FRS17 liabilities are largely linked to corporate bond yields whereas the scheme invests a large part of its assets in equities.

Financial and Risk Management Objectives and Policies

The Trust's financial and risk management objectives are documented in its:

- Official budgets
- Scheme of delegation
- Financial regulations
- Risk management policy

These documents are available on request, and particular items which warrant specific disclosure are noted within this annual report.

Reserves policy

The trustees review the reserve levels of the academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The trustees have determined that the appropriate level of reserves for the current number of academies should be equivalent to 4 weeks expenditure, approximately £900,000. The level of reserves will be reviewed and adjusted as new academies join the multi academy trust. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. Any surplus reserves built up by the Academy are earmarked to cover:

- planned capital expenditure;
- improve the quality of learning and social spaces within the academy;
- forecast increases in employer contributions to the Local Government Pension Scheme.

Financial position

The Academy held fund balances at 31 August 2015 of £43,321,000 (2014:£33,012,000), after allowing for the pension deficit of £6,791,000 (2014:£4,615,000); comprising £48,531,000 (2014:£36,392,000) of restricted funds and £1,581,000 (2014:£1,235,000) of unrestricted general funds.

TRUSTEES' REPORT FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)**Investment Policy**

All investments are made in accordance with the policy of the trust. The trust's policy on investments are one of minimum risk with all investments being held with the trust's bankers. The trust will nevertheless seek to maximise interest receipts within this arrangement. This policy will be reviewed in the year ending 31 August 2016. Investments are made with regard to Charity Commission guidance in relation to investments.

PRINCIPAL RISKS AND UNCERTAINTIES

The board has considered the risks faced by the trust throughout its normal operational business. It has sought to address the risks faced by the trust by establishing appropriate governance and management arrangements, including the appointment of senior staff and other managers, and establishing robust operational policies. The board considers that these arrangements have been effective throughout the period being reported.

The board intends to build on this success by establishing a formal risk management policy, which will formally document the managerial action that is taking place, and should enable future risk management to be more systematic.

At the time of reporting, the trust's identified key risks are:

- The risk of achievement in core subjects being below expectations;
- Complying with legislative requirements regarding employment law, data protection, discrimination, Companies House and HMRC, child protection and safeguarding, the Charity Commission and the National Curriculum;
- Financial Risk - not operating within budget and running a deficit, changes in funding, falling pupil numbers, inappropriate or insufficient financial controls and systems, fraudulent activity and/or financial commitments made without adequate authorisation;
- Operational risks resulting from inexperienced or inappropriate staff being employed and inaccurate, out of date or inappropriate information;
- Condition of buildings acting as a barrier to achievement.

Mitigating action, both current and planned, has been identified to address these risks. This is also true of all other risks that have been formally identified which have a lower level of impact and/or likelihood.

Risk Management

The major risks to which the multi academy trust is exposed have been identified on the academy's Risk Register and are identified in the Financial Review on page 13. Trustees have reviewed the risks to which the multi academy trust is exposed and systems and procedures have been put in place to manage these.

Plans for future periods

The deficit position of the Local Government Pension Scheme may result in an increase in employers pension contributions over a period of years. It is intended that the Academy will revisit its current business plans and budgets and ascertain how the pension costs might impact on the budgets in the future.


Auditors

In so far as the trustees are aware:

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

The auditors, UHY Hacker Young (Birmingham) LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

The Trustees' Report incorporating a strategic report was approved by the board of trustees as the company directors on 14 December 2015 and signed on their behalf by:



A J Kennedy

Chair of Trustees

14 December 2015

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015**Scope of Responsibility**

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

The board of trustees has delegated the day-to-day responsibility to the Chief Executive Officer, D Morris, 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 The Diocese of Coventry Multi-Academy Trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

Governance

The information on governance included here supplements that described in the trustees' report and in the Statement of Trustees' Responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a Possible
A J Kennedy - Chair	5	5
D Morris	5	5
R H Pogson	5	5
S J Lloyd	4	5
L Wainscot	5	5
J A Wade	5	5
P E Law	4	5
R Medwell	2	2
D J Briggs	1	3

The **Audit Committee** is a sub-committee of the main governing body. Its purpose is to develop the audit direction and governance procedures of the trust on financial matters. This committee was formed on 1 December 2014 and will discuss resources and audit matters that were previously discussed at the board of trustees. The Audit Committee meets as part of the main governing body.

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)**Review of Value for Money**

As accounting officer, the Chief Executive Officer of the MAT has responsibility for ensuring that the academy trust delivers good value in the use of public resources. The accounting officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

The accounting officer considers how the trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where available. The accounting officer for the academy trust has delivered improved value for money during the year by:

- Bringing the academy conversion process in house. This has not only reduced the costs but has allowed the Trust to build closer links and engage with staff at the new academies to support rapid improvement at an earlier stage. For the two most recent schools systems were in place and support for leadership, HR and recruitment for example was on-going even before conversion.
- At Harris Church of England Academy a decline in pupil numbers necessitated a reassessment of staffing and management structures. A full review was undertaken and significant cost savings and efficiencies were made to ensure that a robust and appropriate structure was in place to support the academy moving forward. This was achieved with minimal disruption to the teaching and learning environment at the academy.
- A full tender process was undertaken to review catering provision at the academies within the Trust. The focus of the tender process was on ensuring the quality of food and service as well as any potential cost savings.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of multi academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Diocese of Coventry Multi-Academy Trust for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The board of trustees is reviewing the key risks to which the multi academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the multi academy trust's significant risks that has been in place for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

GOVERNANCE STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)**The Risk and Control Framework**

The Diocese of Coventry Multi-Academy Trust 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 body;
- regular reviews by the board of trustees of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines;
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided to appoint two internal auditors, Warwickshire Education Services for the former schools transferred from Coventry City Council and Coventry Education Services for the schools transferred from Warwickshire City Council.

The internal auditors 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 of Payroll Approval – the majority of academies were compliant with one or two samples not clearly identifying HT signature. These have now been corrected and are compliant.
- Review of Academy Governance (VFM statement) – it was recommended that all academies adopt central MAT VFM statement. This has now been implemented.
- Assessment of Controls around purchasing through petty cash - the majority of academies had no issues to report. There was a small recommendation regarding separate VAT receipts for personal purchases.

On a termly basis, the internal auditors will provide reports to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees financial responsibilities. During the year the internal auditors have identified a number of control weaknesses with recommendations for improvement, which the management and trustees of the MAT will action as soon as possible during 2015/16.

Review of Effectiveness

As Accounting Officer, of The Diocese of Coventry Multi-Academy Trust, the Chief Executive Officer has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the internal auditors;
- 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 their review of the system of internal control by the board of trustees and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 14 December 2015 and signed on its behalf by:

[Signed]


A J Kennedy

Chair of Trustees

[Signed]


D Morris

Chief Executive Officer

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE FOR THE YEAR ENDED 31 AUGUST 2015

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

I confirm that I and the 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.

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 EFA.

[Signed]



D Morris
Chief Executive Officer

14 December 2015

STATEMENT OF TRUSTEES' RESPONSIBILITIES FOR THE YEAR ENDED 31 AUGUST 2015

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

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2005;
- make judgments and 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 academy will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 14 December 2015 and signed on its behalf by:

[Signed]



A J Kennedy
Chair of Trustees

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DIOCESE OF COVENTRY MULTI-ACADEMY TRUST FOR THE YEAR ENDED 31 AUGUST 2015

We have audited the financial statements of The Diocese of Coventry Multi-Academy Trust for the year ended 31 August 2015 which comprise the Statement of Financial Activities, the Income and Expenditure account, the Balance Sheet, the Cash Flow Statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

Respective responsibilities of trustees and auditor

As explained more fully in the Statement of Trustees' Responsibilities set out on page 20, the trustees (who are also the directors of the multi academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

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

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the academy trust's affairs as at 31 August 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Annual Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE DIOCESE OF COVENTRY MULTI-ACADEMY TRUST FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' Annual Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept; or
- 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.



.....
Malcolm Winston
Senior Statutory Auditor
UHY Hacker Young (Birmingham) LLP, Statutory Auditor
9-11 Vittoria Street
Birmingham
B1 3ND

14 December 2015

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE DIOCESE OF COVENTRY MULTI-ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2015

In accordance with the terms of our engagement letter dated 16 April 2015 and further to the requirements of the Education Funding Agency (EFA), as included in the Academies Accounts Direction 2014 to 2015 we have carried out an engagement to obtain limited assurance about whether, the expenditure disbursed and income received by the multi academy trust during the period 1 September 2014 to 31 August 2015 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 the Diocese of Coventry Multi-Academy Trust and the EFA in accordance with our engagement letter. Our review has been undertaken so that we might state to the governing body and the EFA those matters we are required to state to it 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 The Diocese of Coventry Multi-Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of The Diocese of Coventry Multi-Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Diocese of Coventry Multi-Academy Trust funding agreement with the Secretary of State for Education dated 26 March 2013, and the Academies Financial Handbook extant from 1 September 2014 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 2014 to 2015. We report to you whether, anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies: Accounts Direction 2014 to 2015 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Summary of the work undertaken was as follows:

- Analytical review of the multi academy trust's general activities are within the multi academy trusts framework of authorities;
- Consideration of the evidence supporting the accounting officers statement on regularity, propriety and compliance;

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO THE DIOCESE OF COVENTRY MULTI-ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

Approach (con't)

- Review of the general control environment for the multi academy trust on financial statements and on regularity;
- Sample testing of expenditure transactions to ensure the activity is permissible within the multi academy trust's framework of authority;
- Confirmation that a sample of expenditure has been appropriately authorised in accordance with the multi academy trust's delegated authorities;
- Formal representations obtained from the board of trustees and the accounting officer acknowledging the responsibilities including disclosing all non compliance with laws and regulations specific to the authorising framework;
- Confirmation that any extra contractual payments such as severance and compensation payments have been appropriately authorised;
- Review of credit card expenditure for any indication of personal use by staff, principal or trustees;
- Review of specific terms of grant funding within the funding agreement;
- Review of related party transactions for connections with the principal/finance manager or trustees;
- Review of income received in accordance with the activities permitted within the multi academy trust's charitable objectives.

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

UHY Hacker Young (Birmingham) LLP

Reporting Accountant
UHY Hacker Young (Birmingham) LLP
9-11 Vittoria Street
Birmingham
B1 3ND

14 December 2015

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED 31 AUGUST 2015

(Including Statement of Total Recognised Gains and Losses)

		Unrestricted	Restricted	Restricted	Total	Total
		Funds	General	Fixed		
	Note	£'000	Funds	Asset	2015	2014
			£'000	Funds	£'000	£'000
				£'000		
Incoming resources						
<i>Incoming resources from generated funds:</i>						
Trfd from local authority on conversion	3	382	(1,770)	10,833	9,445	29,732
School fund	3	-	33	-	33	51
Donations	3	67	-	-	67	6
- Activities for generating funds	4	305	-	-	305	136
- Investment income	5	7	-	-	7	2
<i>Incoming resources from charitable activities:</i>						
- Funding for the multi academy trust's educational operations	6	-	15,090	1,419	16,509	10,798
Total incoming resources		761	13,353	12,252	26,366	40,725
Resources expended						
<i>Cost of generating funds:</i>						
- Costs of generating voluntary income	7	257	-	-	257	166
- Investment management costs						
<i>Charitable activities:</i>						
- multi academy trust's educational operations	7 & 8	118	14,472	759	15,349	9,991
<i>Governance costs</i>	9	-	342	-	342	562
Total resources expended	7	375	14,814	759	15,948	10,719
Net incoming/(outgoing) resources before transfers		386	(1,461)	11,493	10,418	30,006
Gross transfers between funds	18	(40)	(43)	83	-	-
Net income/(expenditure) for the year		346	(1,504)	11,576	10,418	30,006
Other recognised gains and losses						
Actuarial loss on defined benefit pension schemes	28	-	(109)	-	(109)	(708)
Net movement in funds		346	(1,613)	11,576	10,309	29,298
Reconciliation of funds						
Funds brought forward at 1 September 2014		1,235	(4,319)	36,096	33,012	3,714
Funds carried forward at 31 August 2015	16	1,581	(5,932)	47,672	43,321	33,012

All of the multi academy trust's activities derive from acquisitions and continuing operations during the above two financial periods.

A Statement of Total Recognised Gains and Losses is not required as all gains and losses are included in the Statement of Financial Activities.

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 AUGUST 2015

	Note	Total 2015 £'000	Total 2014 £'000
Income			
DfE/EFA General annual grant (GAG)	2 & 6	13,138	8,253
Other DfE/EFA grants	6	2,880	2,202
Other government grants	6	491	343
Funds generation	4	305	136
Investment income	5	7	2
Trf'd from local authority on conversion	3	9,445	29,732
Other income	3	100	57
Total income		<u>26,366</u>	<u>40,725</u>
Expenditure			
Staff costs	7	11,967	7,648
Non pay expenditure			
- Premises	7	268	428
- Supplies and services	7	2,257	1,261
- Other	7	697	994
Depreciation	7 & 14	759	388
Total expenditure	7	<u>15,948</u>	<u>10,719</u>
Net income for the year		<u>10,418</u>	<u>30,006</u>


The income and expenditure account is derived from the statement of financial activities on page 25 which, together with the notes to the financial statements on pages 29 to 50 provides full information on the movements during the year/period on all the funds of the multi academy trust.

All of the multi academy trust's activities derived from acquisitions and continuing operations during the above two financial periods.

BALANCE SHEET AS AT 31 AUGUST 2015

	Note	2015 £'000	2014 £'000
Fixed assets			
Tangible assets	14	<u>47,672</u>	<u>36,096</u>
		<u>47,672</u>	<u>36,096</u>
Current assets			
Debtors	15	675	686
Cash at bank and in hand		<u>4,911</u>	<u>2,643</u>
		<u>5,586</u>	<u>3,329</u>
Current liabilities			
Creditors: Amounts falling due within one year	16	<u>(3,112)</u>	<u>(1,798)</u>
Net current assets		<u>2,474</u>	<u>1,531</u>
Total assets less current liabilities		50,146	37,627
Creditors: Amounts falling due after more than one year	17	<u>(34)</u>	<u></u>
Net assets excluding pension liability		<u>50,112</u>	<u>37,627</u>
Pension scheme liability	28	<u>(6,791)</u>	<u>(4,615)</u>
Net assets including pension liability		<u><u>43,321</u></u>	<u><u>33,012</u></u>
Funds of the Academy:			
Restricted funds			
- Restricted fixed asset fund	18	47,672	36,096
- Restricted general fund	18	859	296
- Pension reserve	18	<u>(6,791)</u>	<u>(4,615)</u>
Total Restricted Funds		<u>41,740</u>	<u>31,777</u>
Unrestricted funds			
- General fund	18	<u>1,581</u>	<u>1,235</u>
Total Unrestricted Funds		<u>1,581</u>	<u>1,235</u>
Total		<u><u>43,321</u></u>	<u><u>33,012</u></u>

The financial statements on pages 25 to 28 were approved by the trustees and authorised for issue on 14 December 2015 and signed on their behalf by:



A J Kennedy
 Chair of Trustees

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 AUGUST 2015

	Notes	2015 £'000	2014 £'000
Net cash inflow from operating activities	22	1,935	1,245
Cash transferred on conversion to a multi academy trust	30	382	1,181
Returns on investments and servicing of finance	23	7	2
Capital expenditure	24	(83)	(28)
Increase in cash in the year	25	<u>2,241</u>	<u>2,400</u>
Reconciliation of net cash flow to movement in net funds			
Net funds at 1 September 2014	25	2,643	243
Net funds at 31 August 2015	25	<u>4,884</u>	<u>2,643</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015**1 Statement of Accounting Policies****Basis of Preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission 'Statement of Recommended Practice: Accounting and Reporting by Charities' ('SORP 2005'), the Academies Accounts Direction 2013 to 2014 issued by the EFA and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

Conversion of State Maintained School to a Multi Academy Trust

The conversion from a state maintained school to a multi academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £nil consideration and has been accounted for under the acquisition accounting method.

The assets and liabilities transferred on conversion from The Diocese of Coventry Multi-Academy Trust to an academy trust have been valued at their fair value being a reasonable estimate of the current market value that the governors would expect to pay in an open market for an equivalent item. Their fair value is in accordance with the accounting policies set out for The Diocese of Coventry Multi-Academy Trust Limited. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in voluntary income as net income/ net expenditure in the Statement of Financial Activities and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds. Further details of the transactions are set out in note 30.

Going Concern

The trustees 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 one year from the date of approval of the financial statements.

Incoming Resources

All incoming resources are recognised when the multi academy trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

- **Grants receivable**

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

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

Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

- **Sponsorship Income**

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 is certainty of receipt and it is measurable.

- **Donations**

Donations are recognised on a receivable basis where there is certainty of receipt 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 goods have been provided or on completion of the service.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

- **Donated services and gifts in kind**

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

- **Transfers of leasehold property**

Leasehold property transferred to the Academy from the local authority at little or no consideration will be revalued at open market value in accordance with the accounting standard FRS15 Tangible Fixed Assets every 5 years. This value will be recognised as incoming resources in the Statement of Financial Activities and will be included in the appropriate fixed assets category and depreciated over the life of the lease.

Resources Expended

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

- **Costs of generating funds**

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

- **Charitable activities**

These are costs incurred on the multi academy trust's educational operations.

- **Governance Costs**

These include the costs attributable to the multi academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed

All resources expended are inclusive of irrecoverable VAT.

Tangible fixed assets

Assets costing £1,000 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. The related grants are credited to a restricted fixed asset fund (in the statement of financial activities and carried forward in the balance sheet). The depreciation on such assets is charged in the Statement of Financial Activities over the expected useful economic life of the related asset on a basis consistent with the depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds depreciation on such assets is charged to the unrestricted fund.

Assets costing less than £1,000 are written off in the year of acquisition. All other assets are capitalised.

Depreciation

Depreciation is provided on a straight line basis on the cost of tangible fixed assets, to write them down to their estimated residual values over their expected useful lives. No depreciation is provided on leasehold land where the lease is more than 20 years. The principal annual rates used for other assets are:

Leasehold buildings	2%
Furniture and equipment	25%
Computer equipment and software	33.33%
Motor vehicles	20%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)**Depreciation (continued)**

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

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.

Leased assets

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to the Statement of Financial Activities on a straight line basis over the lease term.

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.

Pensions 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, are contracted out of the State Earnings-Related Pension Scheme ('SERPS'), and the assets are held separately from those of the multi academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the 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 quinquennial valuations using a prospective benefit method. As stated in Note 28, the TPS is a multi employer scheme and the multi academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the 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 method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent term and currency to the liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The amounts charged to operating surplus are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the Statement of Financial Activities if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The expected return on assets and the interest cost are shown as a net finance amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in other gains and losses.

Fund Accounting

Unrestricted income funds represent those resources which may be used towards meeting any of the charitable objects of the multi academy trust at the discretion of the trustees. Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education and other 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 Funding Agency/Department for Education.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

2 GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the multi academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2015. (See note 18)

3 VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	Total 2015	Total 2014
	£'000	£'000	£'000	£'000
CCC fixed assets donation	-	2,092	2,092	4,618
WCC fixed assets donation	-	8,741	8,741	26,732
CCC prior years surplus b/fwd	136	-	136	189
WCC prior years surplus b/fwd	246	-	246	660
CCC LGPS pension deficit transferred	-	(382)	(382)	(657)
WCC LGPS pension deficit transferred	-	(1,388)	(1,388)	(2,142)
School Sports Partnership fund transferred on conversion	-	-	-	332
School fund	-	33	33	51
Donations	67	-	67	6
	<u>449</u>	<u>9,096</u>	<u>9,545</u>	<u>29,789</u>

4 ACTIVITIES FOR GENERATING FUNDS

Lettings income	20	-	20	6
Sports Centre income	71	-	71	56
School Sports Partnership income	132	-	132	13
Sundry income	29	-	29	61
EWE club income	50	-	50	-
Nursery fees	3	-	3	-
	<u>305</u>	<u>-</u>	<u>305</u>	<u>136</u>

5 INVESTMENT INCOME

Bank interest received	7	-	7	2
	<u>7</u>	<u>-</u>	<u>7</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

6 FUNDING FOR THE MULTI ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £'000	Restricted Funds £'000	Total 2015 £'000	Total 2014 £'000
DfE/EFA Capital grants				
. Devolved formula capital grant	-	51	51	64
. CIF grant	-	656	656	-
. ACMF	-	712	712	591
	-	1,419	1,419	655
DfE/EFA Revenue grants				
. General annual grant (GAG) (note 2)	-	13,138	13,138	8,253
. ACMF	-	-	-	174
. Start up grant	-	48	48	450
. School improvement grant	-	90	90	74
. Pupil premium grant	-	986	986	575
. Year 7 catch up	-	10	10	-
. Sponsorship grant	-	-	-	240
. PE and sports grant	-	76	76	34
. UIFSM grant	-	172	172	-
. Conversion grant	-	75	75	-
. Summer school grant	-	4	4	-
	-	14,599	14,599	9,800
Other Government grants				
. Year 7 catch up grant - WCC	-	-	-	18
. Teach first	-	9	9	1
. Birmingham university grant	-	-	-	1
. Special needs grant - WCC	-	171	171	70
. Special needs grant - CCC	-	6	6	1
. Special needs grant - NCC	-	6	6	-
. Pupil premium grant - WCC	-	47	47	64
. Pupil premium grant - CCC	-	38	38	4
. Class size funding grant - CCC	-	39	39	28
. Early years funding grant - CCC	-	74	74	72
. Early years funding grant - WCC	-	31	31	-
. High needs top up grant - CCC	-	12	12	9
. Apprentice Funding - Warks College	-	6	6	-
. Big Lottery grant	-	13	13	-
. Children Centre grant - WCC	-	34	34	-
. Increased form of entry grant - CCC	-	-	-	55
. PE and sports grant - WCC	-	-	-	5
. SGO grant - Sport England	-	-	-	10
. Bikeability grant - WCC	-	-	-	5
. Additional growth funding grant - WCC	-	5	5	-
	-	491	491	343
	-	16,509	16,509	10,798

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

7 RESOURCES EXPENDED

	Staff Costs	Non Pay Expenditure		Total 2015 £'000	Total 2014 £'000
		Premises	Other Costs		
	£'000	£'000	£'000	£'000	£'000
Costs of generating voluntary income	214	11	32	257	166
Academy's educational operations					
Direct costs	8,933	-	619	9,552	6,334
Allocated support costs	2,820	1,016	1,961	5,797	3,657
	11,753	1,016	2,580	15,349	9,991
Governance costs including allocated support costs	-	-	342	342	562
	-	-	342	342	562
	11,967	1,027	2,954	15,948	10,719
Incoming/outgoing resources for the year include:				£'000	£'000
Operating leases:					
Plant and machinery				51	35
Fees payable to auditor for:					
Audit				36	27
Other services				10	4

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

8 CHARITABLE ACTIVITIES – ACADEMY'S EDUCATIONAL OPERATIONS

	Total 2015 £'000	Total 2014 £'000
<i>DIRECT COSTS</i>		
Teaching and educational support staff costs	8,933	6,012
Capitation including books	198	118
Materials	57	6
Examination fees	65	54
Staff development and training	117	46
Educational services	94	29
Music instruction	25	29
Other direct costs	63	40
	9,552	6,334
	Total 2015 £'000	Total 2014 £'000
<i>ALLOCATED SUPPORT COSTS</i>		
Support staff costs	2,820	1,520
Depreciation	759	388
Building maintenance	208	381
Electricity	132	75
Gas	86	46
Water rates	40	24
General rates	66	24
Postage	16	8
Printing, stationery and reprographics	106	75
Security and transport	49	39
Insurance	127	110
Coventry City Council (CCC) - catering, ICT, finance and personnel services	293	245
Warwickshire County Council (CCC) - catering, ICT, finance and personnel services	197	62
Advertising and publicity	59	21
Equipment - other	116	76
Furniture	47	26
Contracts, leases and rentals	74	52
Cleaning and janitorial contracts	76	70
Refuse collection	13	8
Ground maintenance	49	47
Telephones	31	23
ICT - software and PFI licences	161	81
Other support costs	272	256
	5,797	3,657
Total direct and support costs	15,349	9,991

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

	Total 2015 £'000	Total 2014 £'000
9 GOVERNANCE COSTS		
Legal and professional fees	295	528
Audit of financial statements	36	27
Accountancy and other services	11	7
	<u>342</u>	<u>562</u>

10 STAFF COSTS**a Staff costs**

	Total 2015 £'000	Total 2014 £'000
Staff costs during the year were:		
Wages and salaries	8,859	5,618
Social security costs	575	377
Operating costs of defined benefit pension schemes	1,736	1,028
	<u>11,170</u>	<u>7,023</u>
Supply staff costs	658	528
Staff restructuring costs	139	97
	<u>11,967</u>	<u>7,648</u>

b Staff severance payments

Included in staff restructuring costs are non statutory/non contractual severance payments totalling £75,721 (2014: £97,049). 5 (2014: 7) extra contractual payments were for £8,750, £7,100, £5,000, £37,423 and £12,000.

c Staff numbers

The average number of persons (including senior management team) employed by the academy trust during the year ended 31 August 2015 expressed as full time equivalents was as follows:

	2015 No	2014 No
Charitable Activities		
Teachers	135	111
Administration and support	223	151
Management	53	36
	<u>411</u>	<u>298</u>
Governance activities	-	-
	<u>411</u>	<u>298</u>

d Higher paid staff

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

	2015 No	2014 No
£60,001 - £70,000	1	1
£70,001 - £80,000	-	1
£80,001 - £90,000	1	-

One employees above participated in the Teachers Pension Scheme. During the year ended 31 August 2015 employer's pension contributions for the member of staff amounted to £11,829 (2014: £10,117). No pension related costs were paid out for the second employee.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

11 CENTRAL SERVICES

The multi academy trust has provided the following central services to Stretton Church of England Academy, St Laurence's Church of England Primary School, St Bartholomew's Church of England Academy, Queens Church of England Primary School, Harris Church of England Academy, St James's Church of England Academy, St Nicolas Church of England Primary School, Studley St Mary's Church of England Academy, St John's Church of England Academy, St Michael's Church of England Academy, St Oswald's Church of England Academy and Leamington Hastings Church of England Academy.

- human resources;
- financial services;
- legal services;
- educational support services;
- accounting services;

The multi academy trust charges for these services a flat percentage of 5% of all general annual grant and ESG income. An additional one off charge was also made for any academies joining the multi academy trust during the year for consultancy services.

The actual amounts charged during the year were as follows:

	2015 £'000	2014 £'000
Stretton Church of England Academy	49	46
St Laurence's Church of England Primary School	88	79
St Bartholomew's Church of England Academy	70	68
Queens Church of England Academy	33	26
Harris Church of England Academy	209	144
St James Church of England Academy	42	17
St Nicolas Church of England Academy	65	22
Studley St Mary's Church of England Academy	40	7
St John's Church of England Academy	41	-
St Michael's Church of England Academy	15	-
St Oswald's Church of England Academy	12	-
	<u>664</u>	<u>409</u>

12 RELATED PARTY TRANSACTIONS - TRUSTEES' REMUNERATION AND EXPENSES

One or more trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Chief Executive Officer receives remuneration in respect of their services provided undertaking the role of Chief Executive Officer and not in respect of services as a trustee. Other trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as trustees. The value of trustee's remuneration and other remuneration was as follows:

D Morris (Chief Executive Officer)		
Remuneration	£65,000 - £70,000	(2014: £60,000 - £65,000)
Employers pension contributions	£nil	(2014: £nil)

During the year ended 31 August 2015 or 31 August 2014 there were no travel and subsistence expenses reimbursed to trustees.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

13 TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy has purchased insurance to protect trustees' and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £1,000,000 on any one claim and the cost for the year ended 31 August 2015 was £933 (2014: £3,377). The cost of this insurance is included in the total insurance cost.

14 TANGIBLE FIXED ASSETS

	Leasehold Land & Buildings £'000	Assets Under Construction £'000	Furniture & Equipment £'000	Computer Equipment £'000	Motor Vehicles £'000	Total £'000
Cost						
At 1 September 2014	35,829	-	675	8	-	36,512
Transfer on conversion	10,833	-	-	-	-	10,833
Additions	927	173	298	52	52	1,502
Transfers	64	-	(64)	-	-	-
Disposals	-	-	-	-	-	-
At 31 August 2015	<u>47,653</u>	<u>173</u>	<u>909</u>	<u>60</u>	<u>52</u>	<u>48,847</u>
Depreciation						
At 1 September 2014	403	-	13	-	-	416
Charged in year	651	-	95	5	8	759
Disposals	-	-	-	-	-	-
At 31 August 2015	<u>1,054</u>	<u>0</u>	<u>108</u>	<u>5</u>	<u>8</u>	<u>1,175</u>
Net book value						
At 31 August 2015	<u>46,599</u>	<u>173</u>	<u>801</u>	<u>55</u>	<u>44</u>	<u>47,672</u>
At 31 August 2014	<u>35,426</u>	<u>-</u>	<u>662</u>	<u>8</u>	<u>-</u>	<u>36,096</u>

Where The Diocese of Coventry Multi-Academy Trust occupies the land and buildings under a licence from the Church of England no interest in the sites pass to the multi academy trust. However, in accordance with FRS 5 Reporting the Substance of Transactions and the Academy Accounts Direction 2014/15 the commercial substance of the transaction takes precedence over the legal form. As a result any land and buildings occupied under license by the multi academy trust and owned by the Church of England are recognised on the academy trust balance sheet for the future economic benefits that are expected to flow from the use of such properties.

The majority of the academy's leasehold land and buildings were donated to the academy by Coventry City Council (CCC) and Warwickshire County Council (WCC) on 125 year leases at a pepper corn rent. An existing use valuation and useful asset life assessment was prepared in accordance with the requirements of the accounting standard FRS15 Tangible Fixed Assets for each of the academy's that converted. The leasehold land and buildings gifted had a depreciated replacement cost value for: Stretton Church of England Academy £2,097,000; St Laurence's Church of England Primary School £2,354,000; St Bartholomew's Church of England Academy £4,618,000; Queens Church of England Academy £1,167,000; Harris Church of England Academy £16,615,000; St James Church of England Academy £2,770,000; St Nicolas Church of England Academy £3,676,600; Studley St Mary's Church of England Academy £2,504,000; St John's Church of England Academy £2,092,000; St Michael's Church of England Academy £5,745,000 and St Oswald's Church of England Academy £2,996,000.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

	2015 £'000	2014 £'000
15 DEBTORS		
Trade debtors	18	31
VAT recoverable	202	235
Other debtors	352	310
Prepayments	103	110
	<u>675</u>	<u>686</u>
16 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR		
Bank overdraft	27	-
Trade creditors	658	189
Taxation and Social Security	271	181
Other creditors	92	74
Accruals	610	1,046
Deferred income	1,454	308
	<u>3,112</u>	<u>1,798</u>

Deferred Income

2015
£'000

Deferred income at 1 September 2014	308
Resources deferred in the year	1,454
Amounts released from previous years	(308)
Deferred income at 31 August 2015	<u>1,454</u>

At the balance sheet date the multi academy trust was holding funds received in advance for 2015/16 by Central Services: £nil (2014: £8,102); St Laurence's Church of England Primary School: £114,428 (2014: £40,389) Stretton Church of England Academy £262,616 (2014 : £30,531); Harris Church of England Academy £192,069 (2014 : £111,169); Queens Church of England Academy £186,035 (2014: £19,763); St Bartholomew's Church of England Academy £49,278 (2014 : £49,567); St James Church of England Academy: £230,349 (2014: £6,678); St Nicolas Church of England Academy: £173,484 (2014: £41,284) and Studley St Mary's Church of England Academy: £31,419 (2014: £127); St John's Church of England Academy £197,086 and St Michael's Church of England Academy £17,216.

17 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

Creditors include amounts not wholly repayable within 5 years as follows:

	2015 £'000	2014 £'000
Salix loan	34	-

The multi academy trust took out EFA approved, interest free Salix loans in the year for: St Bartholomew's Church of England Academy £20,949; St James Church of England Academy £6,992 and Studley St Mary's Church of England Academy £6,203 payable over 8 years.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

18 FUNDS

The income funds of the academy applied for specific purposes are as follows:

	Balance at 1 September 2014 £'000	Incoming Resources £'000	Resources Expended £'000	Gains, Losses & Transfers £'000	Balance at 31 August 2015 £'000
Restricted general funds					
General annual grant (GAG) (note i)	183	13,138	(12,537)	(43)	741
Conversion grant (note ii)	-	75	(75)	-	-
Start up grant (note iii)	-	48	(48)	-	-
School improvement grant (note iv)	-	90	(39)	-	51
Pupil premium grant (note v)	-	986	(984)	-	2
Sponsorship grant (note vi)	36	-	(36)	-	-
PE and sports grant (note vii)	12	76	(88)	-	-
Year 7 catch up (note viii)	-	10	(10)	-	-
Teach first (note ix)	-	9	(9)	-	-
UIFSM grant (note x)	-	172	(172)	-	-
Summer school grant	-	4	(4)	-	-
Rates relief - WCC	3	-	(3)	-	-
Special needs grant - WCC (note xi)	-	171	(171)	-	-
Special needs grant - CCC (note xi)	-	6	(6)	-	-
Special needs grant - NCC (note xi)	-	6	(6)	-	-
Pupil premium grant - CCC (note v)	-	38	(38)	-	-
Pupil premium grant - WCC (note v)	-	47	(47)	-	-
Class size funding grant - CCC (note xii)	-	39	(39)	-	-
Early years funding grant - CCC (note xiii)	-	74	(74)	-	-
Early years funding grant - WCC (note xiii)	-	31	(31)	-	-
High needs top up grant - CCC (note xiv)	-	12	(12)	-	-
Children Centre grant - WCC (note xv)	-	34	(34)	-	-
Additional growth funding grant - WCC	-	5	(5)	-	-
Big lottery grant (note xvi)	-	13	(13)	-	-
Apprentice funding (note xvii)	-	6	(6)	-	-
School funds (note xviii)	62	33	(30)	-	65
	296	15,123	(14,517)	(43)	859
Restricted fixed asset funds					
Fixed assets donation - CCC (note xix)	8,924	2,092	(211)	-	10,805
Fixed assets donation - WCC (note xix)	26,502	8,741	(401)	-	34,842
Devolved formula capital grant (note xx)	19	51	(43)	-	27
ACMF - capital (note xx)	637	712	(97)	-	1,252
CIF grant (note xxii)	-	656	(3)	-	653
Capital expenditure from GAG (note xx)	11	-	(3)	43	51
Capital expenditure from unrestricted funds (note xx)	3	-	(1)	40	42
Total restricted funds	36,096	12,252	(759)	83	47,672
Restricted pension scheme liability					
Pension reserve (note xxi)	(4,615)	(1,770)	(297)	(109)	(6,791)
	(4,615)	(1,770)	(297)	(109)	(6,791)
Total restricted funds	31,777	25,605	(15,573)	(69)	41,740
Unrestricted funds					
Unrestricted funds	87	176	(85)	(21)	157
CCC prior years surplus b/fwd	353	136	(1)	(19)	469
WCC prior years surplus b/fwd	543	246	(62)	-	727
School Sports Partnership funds	252	203	(227)	-	228
Total unrestricted funds	1,235	761	(375)	(40)	1,581
Total funds	33,012	26,366	(15,948)	(109)	43,321

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

18 FUNDS (Continued)

Notes

- i) General Annual Grant must be used for the normal running costs of the academy. Under the funding agreement with the Secretary of State, the multi academy trust was not subject to a limit on the amount of GAG that it would carry forward at 31 August 2015. (see note 2)
- ii) Conversion grant has been used to acquire professional support and materials to support the start up costs of various academies.
- iii) Start up grant has been used to acquire stocks of teaching and learning materials and to support the start up costs of various academies.
- iv) School improvement grant has been used to provide leadership support, curriculum redesign and staff restructuring.
- v) Pupil premium grant has been used to support children from low income families placed in the MAT.
- vi) Sponsorship grant used for development of courses, legal advice and project management.
- vii) PE and Sports grant used for enhancing sports facilities and supporting the teaching of sport.
- viii) Year 7 catch up grant has been used to provide additional support in reading and/or maths not achieving level 4.
- ix) Teach first grant has been received from Teach First to support the training of new teachers.
- x) Universal infant free school meals funding received from EFA to provide free school meals to all school pupils.
- xi) Special needs grant has been used to support enhanced learning for children with special educational needs.
- xii) Class size funding grant has been used to maintain and reduce class sizes by employment of additional teaching staff.
- xiii) Early years funding has been used to provide teaching support for younger children.
- xiv) High needs top up grant has been used to support enhanced learning for children with special educational needs.
- xv) Grant funding to support the operations of the childrens centre and activities.
- xvi) Big lottery fund grants received to support specific activities of the school in the community.
- xvii) Apprentice funding received from Warwick College to fund apprentice posts.
- xviii) School funds are contributions received from parents which are used to support the multi academy trust's activities.
- xix) Restricted fixed assets were funded by Coventry City Council and Warwickshire County Council donating academy land and buildings on a 125 year lease at a pepper corn rent.
- xx) Restricted fixed asset additions were funded by government grants and transfers from restricted and unrestricted funds.
- xxi) The pension reserve represents the deficit on the Local Government Pension Scheme. (see note 28)
- xxii) Capital improvement funding received from EFA for specific capital expenditure at schools.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

18 FUNDS (Continued)

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2015 were allocated as follows:

	Total £'000
Stretton Church of England Academy	215
St Laurence's Church of England Primary School	275
St Bartholomew's Church of England Academy	491
Queens Church of England Academy	72
Harris Church of England Academy	793
St James Church of England Academy	45
St Nicolas Church of England Academy	67
Studley St Mary's Church of England Academy	60
St John's Church of England Academy	122
St Michael's Church of England Academy	170
St Oswald's Church of England Academy	89
Central services	41
Total before fixed assets and pension reserve	<u>2,440</u>
Restricted fixed assets fund	47,672
Pension reserve	<u>(6,791)</u>
	<u>40,881</u>
Total	<u>43,321</u>

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 £'000
Stretton	645	161	24	134	964
St Laurence's	1,081	231	83	344	1,739
St Bartholomew's	1,046	144	23	362	1,575
Queens	494	157	46	175	872
Harris	2,715	1,104	257	470	4,546
St James	598	168	34	134	934
St Nicolas	1,013	172	74	192	1,451
Studley St Mary's	640	103	50	142	935
St John's	556	163	17	250	986
St Michael's	213	55	9	60	337
St Oswald's	116	17	2	63	198
Central services	-	375	0	277	652
Multi Academy Trust	<u>9,117</u>	<u>2,850</u>	<u>619</u>	<u>2,603</u>	<u>15,189</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

19 ANALYSIS OF NET ASSETS BETWEEN FUNDS

Fund balances at 31 August 2015 are represented by:

	Unrestricted Funds £'000	Pension Restricted Funds £'000	School Fund Restricted Funds	General Restricted Funds £'000	Fixed Assets Restricted Funds £'000	Total £'000
Tangible fixed	-	-	-	-	47,672	47,672
Current assets	1,581	-	65	3,940	-	5,586
Current liabilities	-	-	-	(3,112)	-	(3,112)
Non-current liabilities	-	-	-	(34)	-	(34)
Pension scheme liability	-	(6,791)	-	-	-	(6,791)
	<u>1,581</u>	<u>(6,791)</u>	<u>65</u>	<u>794</u>	<u>47,672</u>	<u>43,321</u>

20 CAPITAL COMMITMENTS

Contracted for, but not provided in the financial statements

2015	2014
£'000	£'000
Nil	Nil

Authorised by trustees, but not yet contracted

Nil	Nil
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21 FINANCIAL COMMITMENTS

Operating leases

At 31 August 2015 the multi academy trust had annual commitments under non-cancellable operating leases as follows:

	2015 Other £'000	2014 Other £'000
Operating leases		
Within one year	19	8
Within two to five years	24	31
Over five years	-	1
	<u>43</u>	<u>40</u>

22 RECONCILIATION OF NET INCOME TO CASH INFLOW FROM OPERATING ACTIVITIES

	2015 £'000	2014 £'000
Net income	10,418	30,006
Depreciation (note 14)	759	388
Cash transferred on conversion to a multi academy trust (note 30)	(382)	(1,181)
Fixed assets donation	(10,833)	(31,350)
LGPS pension deficit transfer	1,770	2,799
Capital grants from DfE and other capital income	(1,419)	(655)
Interest receivable	(7)	(2)
FRS 17 pension cost less contributions payable (note 28)	154	63
FRS17 pension finance cost (note 28)	143	104
Decrease/(increase) in debtors	11	(349)
Increase in creditors	1,321	1,422
Net cash inflow from operating activities	<u>1,935</u>	<u>1,245</u>

23 RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

Interest received	7	2
Net cash inflow from returns on investment and servicing of finance	<u>7</u>	<u>2</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

24 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2015	2014
	£'000	£'000
Purchase of tangible fixed assets	(1,502)	(683)
Capital grants from DfE/EFA	1,419	655
Capital funding received from sponsors and others	-	-
Receipts from sale of tangible fixed assets	-	-
Net cash outflow from capital expenditure and financial investment	(83)	(28)

25 ANALYSIS OF CHANGES IN NET FUNDS

	At 1 September 2014 £'000	Cash flows £'000	At 31 Aug 2015 £'000
Bank overdraft	-	(27)	(27)
Cash in hand and at bank	2,643	2,268	4,911
	2,643	2,241	4,884

26 CONTINGENT LIABILITIES

During the period of the Funding Agreement, in the event of the sale or disposal by other means of any asset for which a Government capital grant was received, the Academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the Funding Agreement, whether as a result of the Secretary of State or the Academy serving notice, the Academy shall repay to the Secretary of State sums determined by reference to :

- the value at that time of the Academy's site and premises and other assets held for the purpose of the Academy; and
- the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the Funding Agreement.

27 MEMBERS' LIABILITY

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

28 PENSION AND SIMILAR OBLIGATIONS

The Academy'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 Warwickshire County Council Pension Fund and West Midlands Pension Fund. Both are defined benefit schemes.

As described in note 27 the LGPS obligation relates to the employees of the multi academy trust, who were the employees transferred as part of the conversion from the maintained school and new employees who were eligible to, and did, join the scheme in the period. The obligation in respect of employees who transferred on conversion represents their cumulative service at both the predecessor school and the multi academy trust at the balance sheet date.

The total pension cost to the Academy during the year ended 31 August 2015 was £1,736,109 (2014:£1,027,769) of which £718,109 (2014: £505,769) relates to the TPS and £1,018,000 (2014:£522,000) relates to LGPS.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS was 31 March 2012 and of the LGPS 31 March 2013.

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

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

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

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

28 PENSION AND SIMILAR OBLIGATIONS (cont'd)

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

The pension costs paid to TPS in the period amounted to £718,109 (2014: £505,769).

A copy of the valuation report and supporting documentation is on the [Teachers' Pensions website](#).

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The trust has accounted for its contributions to the scheme as if it were a defined contribution scheme. The trust has set out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with the assets held in a separate trustee administered funds. The total contributions made for the year ended 31 August 2015 was £910,000 (2014:£631,000) of which employers contributions totalled £721,000 (2014:£522,000) and employees contributions totalled £189,000 (2014:£109,000). The agreed employers contributions for future years are 18.6% (2014:18.6%) for Stretton Church of England Academy 15.6% (2014:15.6%), for St Laurence's Church of England Primary School 16.6% (2014:16.6%), for St Bartholomew's Church of England Academy 19.7% (2014:19.7%), for Queens Church of England Academy 19.7% (2014:19.7%), for Harris Church of England Academy 19.7% (2014:19.7%), for St James Church of England Academy School 19.7% (2014:19.7%), for St Nicolas Church of England Academy 19.7% (2014:19.7%), for Studley St Mary's Church of England Academy for employers 19.7% (2014:19.7%) St John's Church of England Academy 18.2%; St Michael's Church of England Academy 19.7%; St Oswald's Church of England Academy 19.7% and for The Diocese of Coventry Administration Centre 19.7% (2014: 19.7%). The agreed contributions for employees are 5.8% (2014:6.5%).

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 liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013.

Principal Actuarial Assumptions

The major assumptions used by the actuary were:	At 31 August 2015 % per annum	At 31 August 2014 % per annum
Discount rate	3.7%	3.7%
Expected return on assets	3.7%	5.5%
Salary increases	4.5%	4.4%
Pension increase	2.6%	2.6%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

28 PENSION AND SIMILAR OBLIGATIONS (cont'd)

Sensitivity analysis for the principal assumptions used to measure the scheme liabilities were as follows:

	At 31 August 2015	At 31 August 2014
	Approx	Approx
	Change to Employers	Change to Employers
	Liability	Liability
	£'000	£'000
Discount rate reduced by 0.5% per annum	1,414	906
Life expectancy at retirement increased by 1 year	331	191

The mortality assumptions used were as follows:

	At 31 August 2015	At 31 August 2014
	years	years
Longevity at age 65 retiring today		
- Men	22.4	22.4
- Women	24.4	24.7
Longevity at age 65 retiring in 20 years		
- Men	24.3	24.3
- Women	26.6	26.6

The Academy's share of the assets and liabilities in scheme and the expected rate of return were:

	Expected	Fair value at	Expected	Fair value
	return at 31	31 August	return at 31	at 31
	August 2015	2015	August 2014	August
		£'000		2014
				£'000
Equities	3.8%	2,854	6.3%	1,759
Government Bonds	3.8%	910	3.4%	512
Other Bonds	3.8%	84	3.8%	53
Property	3.8%	514	4.5%	269
Cash	3.8%	78	0.5%	46
Other	3.8%	77	7.0%	124
Total assets		4,517		2,763
Present value of scheme liabilities				
- Funded		(4,517)		(2,763)
- Unfunded		(6,791)		(4,615)
Total liabilities		(11,308)		(7,378)
Deficit in the scheme		(6,791)		(4,615)

None of the fair values of the assets shown above include any of the academy's own financial instruments or any property occupied by, or other assets used by, the academy.

The expected long term return on cash is equal to bank base rates. The expected return on bonds is determined by reference to UK long dated gilt and bond yields. The expected rate of return on equities and property have been determined by setting an appropriate risk premium above gilt/bond yields having regard to market conditions.

The actual return on the scheme assets in the year was £148,000 (2014:£205,000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

28 PENSION AND SIMILAR OBLIGATIONS (Continued)

Amounts recognised in the Statement of Financial Activities	2015 £'000	2014 £'000
Deficit at conversion to academy	1,770	2,799
Current service cost	875	418
Past service cost	-	-
Total operating charge	2,645	3,217
Analysis of pension finance cost	£'000	£'000
Expected return on pension scheme assets	(183)	(109)
Interest on pension liabilities	326	206
Losses on curtailments	-	7
Pension finance cost	143	104

The Actuarial gains and losses for the current year are recognised in the statement of financial activities. The cumulative amount of actuarial gains and losses recognised in the statement of financial activities since the adoption of FRS 17 is a £748,000 loss (2014:£639,000 loss).

	2015 £'000	2014 £'000
Movement in deficit during the year	£'000	£'000
Balance at 1 September 2014	4,615	941
Balance at admission date	1,770	2,799
Movement in year:		
- Employer service cost (net of employee contributions)	875	418
- Employer contributions	(721)	(355)
- Expected return on scheme assets	(183)	(109)
- Interest cost	326	206
- Losses on curtailments	-	7
- Actuarial losses	109	708
Deficit in the scheme at 31 August 2015	6,791	4,615

Movements in the present value of defined benefit obligations were as follows:	2015 £'000	2014 £'000
Balance at 1 September 2014	7,378	1,498
Scheme liabilities at admission date	2,595	4,763
Current service cost	875	418
Interest cost	326	206
Contributions by scheme participants	189	109
Benefits paid	(97)	-
Losses on curtailment	-	7
Actuarial losses	42	377
Scheme liabilities at 31 August 2015	11,308	7,378

Movements in the fair value of Academy's share of scheme assets:	2015 £'000	2014 £'000
Balance at 1 September 2014	2,763	557
Fair value of scheme assets at admission date	825	1,964
Expected return on scheme assets	183	109
Actuarial losses	(67)	(331)
Contributions by employer	721	355
Benefits paid	(97)	-
Contributions by scheme participants	189	109
Fair value of scheme assets at 31 August 2015	4,517	2,763

The estimated value of employer contributions for the year ended 31 August 2016 is £902,000 (2015: £590,000).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

28 PENSION AND SIMILAR OBLIGATIONS (cont'd)

The 5 year history of experience adjustments is as follows:

	2015	2014	2013	Admission date 1 April 2013
	£'000	£'000	£'000	£'000
Fair value of assets	4,517	2,763	557	504
Present value of scheme liabilities	11,308	7,378	1,498	1,492
Deficit in scheme	(6,791)	(4,615)	(941)	(988)
Experience adjustment on scheme assets	(50)	(331)	(10)	
Percentage of scheme assets	(1.1%)	(4.5%)	(1.8%)	
Experience adjustment on scheme liabilities	-	377	-	
Percentage of scheme liabilities	0.0%	5.11%	0.0%	
Actuarial loss/(gain) recognised in Statement of Financial Activities	109	708	(69)	
Percentage of scheme liabilities	1.0%	9.6%	4.6%	

Only three years figures are available as the charitable company was established on 27 February 2013 and became an academy from 1 April 2013.

29 RELATED PARTY TRANSACTIONS

Owing to the nature of the multi academy trust's operations and the composition of the board of trustees being drawn from local public and private sector organisations, it is inevitable that transactions will take place with organisations in which a member of the board of trustees may have an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the academy's financial regulations and normal procurement procedures.

The trust made the following purchases at arms' length in accordance with the financial regulations, which the following related parties below neither participated in, nor influenced. In entering into the transactions the trust has complied with the requirements of the EFA's Academies Financial Handbook.

Mr L Rowan (Governor, St James Church of England Academy) is secretary of Bulkington Junior Football Club, who rent out St James' pitches. Transactions during the year with Bulkington Junior Football Club by St James Church of England Academy totalled £1,548 (2014: £928).

Mr S Farmer (Governor, Queens Church of England Primary Academy) is a director of Dare2Dream Foundation CIC who provided Teambuilding, parental development, communication self Esteem and confidence workshops. Transactions during the year totalled £6,790 and the balance outstanding at 31st August 2015 was £Nil.

Mr M Moore (Executive Headteacher, St. Laurence) declared an interest in SSAT, where his wife works. SSAT provide school improvement services. Transactions during the year totalled £2,118 and the balance outstanding at 31st August 2015 was £Nil.

Mr R Tromans (Governor, St. Nicolas Church of England Academy) is a councillor at Nuneaton and Bedworth Borough Council whom the school pay for non domestic rates. Transactions for the year totalled £12,066 and there was a balance outstanding of £2,075 at 31st August 2015.

R Chattaway and C Covington (Governors, St. Michaels Church of England Academy) declared an interest in Warwickshire County Council (WCC) where close relatives are employed as councillors. WCC provide income, general vehical maintainence and school meals. Transactions for the year totalled £12,950. The balance outstanding at 31st August 2015 was £Nil.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 AUGUST 2015 (cont'd)

29 RELATED PARTY TRANSACTIONS (Cont'd)

Mrs L Wainscott (Director and Member of the MAT board) is an employee of the Diocesan Board of Education (DBE), the sponsoring organisation of the MAT. The MAT buys services from the DBE as part of a service level agreement. Transactions during the year totalled £176,281 (2014:£117,127) and the balance outstanding at 31 August 2015 was £3,510.

School improvement support is purchased from the DBE, the sponsoring organisation of the MAT. Transactions during the year totalled £83,354 (2014: £58,821) and the balance outstanding at 31 August 2015 was £nil.

30 CONVERSION TO AN ACADEMY TRUST

On 1 April 2013 The Diocese of Coventry Multi-Academy Trust converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to The Diocese of Coventry Multi-Academy Trust from Coventry City Council for £nil consideration for Stretton Church of England Academy and St Laurence's Church of England Academy. From 1 September 2014, during the year, the following academies joined the multi academy trust: St Bartholomew's Church of England Academy; Queens Church of England Academy; Harris Church of England Academy; St James Church of England Academy; St Nicolas Church of England Academy and Studley St Mary's Church of England Academy and all the operations and assets and liabilities were transferred to The Diocese of Coventry Multi-Academy Trust from Coventry City Council and Warwickshire County Council for £nil consideration. From 1 September 2014, during the year the following academies joined the multi academy trust: St John's Church of England Academy, St Michael's Church of England Academy and St Oswald's Church of England Academy. All the operations and assets and liabilities were transferred to The Diocese of Coventry Multi-Academy Trust from Coventry City Council and Warwickshire County Council for £nil consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the balance sheet under the appropriate headings with a corresponding not amount recognised as net income/resources expended in the Statement of Financial Activities as voluntary income/other resources expended.

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

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total Funds £'000
Leasehold land and buildings	-	-	10,833	10,833
Budget surplus on LA funds	308	-	-	308
Children Centre	74	-	-	74
LGPS pension deficit	-	(1,770)	-	(1,770)
Net assets / (liabilities)	382	(1,770)	10,833	9,445

The above net assets/liabilities include £382,000 (2014:£1,181,000) that were transferred as cash.

From 1 September 2014, during the year, the leasehold land and buildings were transferred on a 125 year lease at a pepper corn rent from Coventry City Council and Warwickshire County Council to the multi academy trust.

31 EVENTS AFTER THE BALANCE SHEET DATE

There are no material adjusting or non adjusting events arising after the balance sheet date.