

ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2017

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2017**

Members Askel Veur The Diocese of Truro Academies Umbrella Company Limited
Reverend S Cade
Mr R Best, Chair of Trustees
Archdeacon W Stuart-White

Trustees Mrs S Adams³
Mr R Best^{1,2,5}
Mrs T Copping (resigned 16 May 2017)^{1,5}
Mrs S Daniel (appointed 15 September 2016)^{1,2}
Mr J Keast (appointed 12 January 2016)^{1,3,4}
Mr M Lees, Executive principal (resigned 31 August 2017)^{1,3,4,6}
Reverend D Michael^{1,5,6}
Mr J Murfitt (resigned 10 October 2016)³
Mr S Renshaw (appointed 1 September 2017)
Reverend A Wade^{3,4}
Reverend J Williams⁴
Mr P Wootton³

- 1 Finance and Resources Committee
- 2 Audit and Risk Committee
- 3 School Improvement Committee
- 4 Christian Ethos Committee
- 5 Pay and Awards Committee
- 6 Premises committee

Company registered number 08739625

Company name St Piran's Cross Church of England Multi-Academy Trust

Principal and registered office St Piran's Cross Church of England Multi Academy Trust
1-3 Omaha Drive
Bodmin
Cornwall
PL31 1ER

Company secretary Mrs K Trudgeon

Accounting officer Mr S Renshaw

Senior Leadership Team
Mr R Best, Chair of Trustees
Mrs N Gordon, Academy Business Manager
Mr M Lees, Executive Principal (Accounting Officer to 31 August 2017)
Mr S Renshaw, Accounting Officer from 1 September 2017

Independent auditors Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2017**

Advisers (continued)

Bankers

Lloyds Bank PLC
7 High Cross Street
St Austell
Cornwall
PL25 4AF

Solicitors

Wolferstans Solicitors
Deptford Chambers
60/66 North Hill
Plymouth
Devon
PL4 8EP

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
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**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2017**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2017. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates an academy for pupils aged 4 to 11 in the Roseland and St Austell area. It has a pupil capacity of 697 and had a roll of 633 in the school census on 31 October 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

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

The Trustees of St Piran's Cross Church of England Multi-Academy Trust are also the directors of the charitable company for the purposes of company law.

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

Members' Liability

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

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £2,000,000 in any one claim.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

As set out in the Memorandum and Articles of Association (M&A) for the St Piran's Cross Church of England Multi Academy Trust (MAT), the Members (Trustees) of the MAT are:

Askel Veur (the Diocese of Truro Academies Umbrella Company Ltd) in its corporate capacity, The Diocesan Director of Education, the Archdeacon of Cornwall and the Chair of the Board of Directors.

These members then appointed further Directors in accordance with the M&A to maintain a majority of Christian Foundation Trustees. When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the Trust's development. The Board of Directors of the St Piran's Cross Church of England Multi Academy Trust is the overarching governing body for every school within the MAT.

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

- No fewer than 7 Trustees appointed by Members
- Up to 4 Community Trustees who are appointed by the Board of Trustees
- The Executive Principal who is treated for all purposes as being an ex officio Governor

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

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

A Local Governing Body (LGB) for each individual school was set up post conversion to undertake some of the day to day running of the school in line with the agreed Scheme of Delegation. As set out in the M&A the constitution of the LGB must contain elected staff and parent members.

Policies and procedures adopted for the induction and training of trustees

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

Organisational Structure

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

There are six committees as follows:

- Finance and Resources Committee – this meets at least six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements, and reporting and drafting the annual budget including setting staffing levels.
- Audit and Risk Committee – this meets at least three times a year and is responsible for monitoring, evaluating and reviewing Audit and Risk. It receives reports from the Responsible Officer/internal audit report.
- School Improvement Committee – this meets at least three times a year and is responsible for the monitoring of all aspects of school improvement. The committee receives reports from the principal who quality assures the work of any external providers used to deliver training to support the individual schools. The focus of this group is to challenge, where appropriate, so that the highest educational standards are maintained in schools, in line with latest best practice, for example the OFSTED and SIAMS frameworks.
- Christian Ethos Committee – This committee meets three times a year and the main focus of this group is to ensure that schools are upholding the distinctive Christian Ethos as set out in the SIAMS (Statutory Inspections of Anglican and Methodist Schools) Framework 2012.
- Pay and Awards Committee – this meets once a year (or as needed) and is the body responsible for reviewing recommendations from head teachers or heads of schools through the principal, in relation to pay awards. Recommendations are regulated in line with the Performance Related Pay policy.
- Premises Committee – This committee meets three times a year and the main focus is to monitor and evaluate the buildings, estates and grounds. They develop clear plans for the improvement of each school building and meeting all compliance and health and safety requirements.

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

The following decisions are reserved to the Board of Trustees:

- To consider any proposals for changes to the status or constitution of the Academy Trust and its committee structure.
- To appoint or remove the Chairman and/or Vice Chairman.
- To appoint the Executive Principal and Clerk to the Trustees.
- To approve the Annual Raising Attainment/ Development Plan and budget.

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

The Trustees and Board of Trustees have devolved responsibility for day to day management of the Trust to the Executive Principal and MAT Senior Leadership Team (SLT). The MAT SLT comprises the Executive Principal, Headteacher, Heads of School, Assistant Heads, SENCO and the Business Manager. The MAT SLT implements the policies laid down by the Trustees and reports back to them on performance.

The Trust has a leadership structure which consists of the Trustees and the MAT Senior Leadership Team. The aim of the leadership structure is to devolve responsibility and encourage involvement in decision making at all levels.

The MAT Senior Leadership Team (MAT SLT) consists of the Executive Principal, one Headteacher, four Heads of Schools, MAT SENCO and the Trust Business Manager. The MAT SLT controls the Trust at an executive level, implementing the policies laid down by the Trustees and reporting back to them. The Executive Principal, Trust Business Manager and Finance and Resources Committee are responsible for the authorisation of spending within agreed budgets; a summary of this is in the Scheme of Delegation. Some spending control is devolved to budget holders which must be authorised in line with the Scheme of Delegation. The Executive Principal is responsible for the appointment of staff, though appointment panels for teaching posts always include a local governor or Director.

The Academy Trust comprises five primary schools – Bishop Bronescombe, Grampound Road, Grampound-with-Creed, Veryan and Ladock. Each school has its own Local Governing Body responsible for day to day operations. The Trust Board comprises Directors elected from the Local Governing Body of each school or by recruiting externally.

The Executive Principal is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

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

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

The pay of key management personnel is reviewed annually and any increase is performance related and managed in accordance with the MAT's pay policy.

The Trustees benchmark against pay levels in other Trusts of a similar size.

Connected Organisations, including Related Party Relationships

The Board of Education of the Diocese of Truro (established pursuant to the Diocesan Board of Education Measure 1991) is a related party as Archdeacon William Stuart White and The Diocesan Director of Education are also members of the said Board.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Askel Veur (a company limited by guarantee with company registration number of 07817737) is a related party as the Diocesan Director of Education is also a Trustee of the company.

The Diocese of Truro is a related party as it provides school improvement support and Jo Osborne, Director of Schools is our Academy Improvement Partner.

OFSTED is a related party as our Executive Principal does the occasional school inspection for them.

The Academy Trust has strong collaborative links with the following:

- The Truro Diocesan Board of Finance and The Diocese of Truro Enterprises.
- The Saints' Way Church of England Multi Academy Trust for School Improvement services.
- The Roseland Head teachers group.
- The Truro and Roseland Learning Community.
- Parc Eglos School.
- Sir Robert Geoffrey CE Primary School.
- St Cleer and Blisland Primary Schools.
- Boscastle and Port Isaac Primary Schools.
- Rainbow MAT's four schools.

There are no related parties which either control or significantly influence the decisions and operations of St Piran's Cross Church of England Multi-Academy Trust. There are no sponsors or formal Parent Teacher Associations associated with the Trust.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principal object and activity of the Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing schools offering a broad range of curriculum for pupils of different abilities, with a strong emphasis on the Christian ethos.

The principal object and activity of the Charitable Company is the operation of St Piran's Cross Multi-Academy Trust to provide free education and care for pupils of different abilities.

The aims of the Trust during the year/period ended 31 August 2017 are summarised below:

- To continue to raise the standard of educational attainment and achievement of all pupils.
- To provide a broad and balanced curriculum, including extra-curricular activities.
- To ensure a distinctive Christian ethos pervades each school within the MAT
- To develop pupils as more effective learners.
- To develop school sites so that it enables pupils to achieve their full potential.
- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care.
- To improve the effectiveness of the Trust by keeping the curriculum and organisational structure under continual review.
- To provide value for money for the funds expended.
- To develop greater coherence, clarity and effectiveness in school systems.
- To comply with all appropriate statutory and curriculum requirements.
- To maintain close links with the communities each school serves
- To develop the Trust's capacity to manage change, and
- To conduct the Trust's business in accordance with the highest standards of integrity, probity and openness.

At St Piran's Cross MAT we aim to achieve the best for, and from, each pupil. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Our MAT is a community in which children, staff and parents should be part of a happy and caring environment.

Objectives, Strategies and Activities

Key priorities, activities and targets were identified in the Academy Raising Attainment and Development Plans and were influenced by the significant challenges and opportunities arising from national changes in education policy and funding, including the conversion to Academy status. The activities included the following:

Outcomes for Children and Learners - Raising Pupil Attainment and Achievement (RAP - 2016/17)

Priority 1 - Mathematics - To raise standards in Mathematics so that attainment and progress levels in all schools meet or exceed the national averages for ARE or GD (70% in 2016)

- The Maths curriculum and approach is developed and ensures mastery of all learning.
- All children are challenged in each lesson including the most-able who go on to greater depth.
- The gap between school support groups/PP and others closes due to high levels of challenge within effective support
- Focus on the impact of guided maths/high expectations and HAPs/G&T/girls in KS2.
- Evaluate the Impact of Early morning maths on arithmetic skills
- Books and other evidence show strong progress.

Priority 2 - Reading - To further improve attainment levels and the rates of progress in reading especially for the more- able to achieve greater depth. (ARE in 2015 – 66%)

- Strengthening Guided Reading sessions so that they ensure reading skills are well taught.
- Monitoring effectiveness of Guided Reading sessions.
- Developing story-telling and the importance of reading for pleasure.
- Consider the expectation of reading at greater depth.

Priority 3 - Writing - To continue to further improve levels of attainment and rates of progress in writing and SPAG so that all schools meet ARE in both (Writing 74% and SPAG 72% in 2016)

- Continue to embed and improve early writing and phonic skills
- Challenge the more-able writers in KS1 to ensure they meet or exceed the national average
- Develop spelling proficiency in pupils through structured programmes across the school from Year 2 upwards. Ensure any legacy of underperformance is identified and the gaps closed through intervention.
- Ensure the RWI spelling in KS2 is implemented consistently.
- Books and other evidence show strong progress.

Quality of Teaching and Learning Development points:

Science and the wider curriculum:

- Raise standards in Science so that attainment and rates of progress are in line with the ARE. TLP written.
- Receive training in science to improve teaching and learning in Science.
- Establish and develop a MAT Curriculum model that is creative, immersive and exciting. Ensure this model builds subject skills progress for each NC year group.

SEND:

- All SEND groups make good progress in the core areas and this is monitored by the SENCO.
- SEND Champions for autism and dyslexia are identified, trained and supporting children to achieve well. Each MAT school has a MAT Thrive champion, fully trained who supports children with behaviour and well-being issues.

Standards in KS1 in all schools:

- To continue the drive to raise standards in all schools in KS1 so that the attainment gap closes and teaching and learning are consistently high.
- Regular monitoring and book review takes place in all KS1 classrooms.
- Good practice is shared across the MAT.
- Standards achieved in writing are achieved.
- Maths mastery is developed in KS1.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Christian Ethos, RE teaching and Spirituality:

- There is a rich and stimulating new R.E curriculum/assessment scheme which is embedded into classroom practices.
- Children's spirituality is developed with the use of transformational questioning and clever classroom practices.
- Collective Worship will be an inspiring and enriching aspect of school provision.

SIAMS areas of development are addressed in all schools.

Leadership Development Points:

Middle Leadership/Subject champions

To ensure middle leaders/subject champions have a clear understanding of how their roles and actions contribute to the improvements needed in achievement, teaching and learning in all MAT Schools

- Clarity of roles expectations set.
- Improvement cycle published including reviews.
- Receive MAT non-contact time.
- Develop subject skills for each NC Year.

Governance

To review the governance structure of the MAT and in particular the local governance provision:

- Define the roles and responsibilities of the local community representatives.
- Establish robust feedback to and from the BOD to the LGBs.
- Develop a focused monitoring and evaluation schedule with clear guidance.
- Provide training in relevant areas.

Each of the academies has taken the MAT plan and developed specific school related plans based on this.

Public Benefit

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

The Academy Trust aims to advance for public benefit education in the Diocese of Truro. In particular, but without prejudice to the generality of the foregoing by estimating, maintaining, managing and developing schools, offering a broad curriculum set within a distinctly Christian context.

As a MAT, we are working to support all of the schools within the MAT and to develop a culture of mutual support and development across these schools. Within the broader diocesan context, each of these schools remains part of the broader family of Church Schools and part of that network. The commitment to developing a high quality curriculum, delivered by well trained and effective teaching and support staff, and the sharing of expertise is already underway.

STRATEGIC REPORT

Achievements and Performance

The Multi-Academy Trust is in its fourth year of operation having converted on 1 December 2013.

Pupil numbers have increased slightly. The total funding received for this financial year was on 633 compared with 625 in the previous year.

Of the five schools in the MAT three have above average numbers of pupils with SEN (12%, 14%,19%) and three have above average mobility of in-year admissions (12%, 17%, 19%).

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

One of our schools had an OFSTED inspection during 2016/17 and this school was Grampound Road CE and the outcome was 'good' in all areas.

Outcomes for pupils

We need to note that some of our cohorts are very small in our schools.

EYFS - good level of development, national average likely to be at 69% plus Outcome

Bishop Bronescombe	76%
Grampound Road	80%
Grampound with Creed	80%
Ladock	86%
Veryan	85%

Year 1 Phonic Screening Test. National average – 81% in 2016 Outcome

Bishop Bronescombe	87%
Grampound Road	70%
Grampound with Creed	75%
Ladock	82%
Veryan	86%

Key Stage 1	Bishop Bronescombe	Grampound Road	Grampound with Creed	Ladock	Veryan
Reading:					
ARE	58%	53%	45%	50%	23%
Greater Depth	13%	11%	36%	30%	50%
Writing:					
ARE	56%	42%	43%	50%	75%
Greater Depth	11%	0%	18%	20%	25%
Maths:					
ARE	53%	37%	54%	50%	25%
Greater Depth	11%	21%	27%	20%	50%
Key Stage 2					
Reading:					
ARE	51%	67%	50%	25%	29%
Greater Depth	20%	13%	29%	13%	29%
Writing					
ARE	64%	53%	51%	50%	57%
Greater Depth	16%	27%	21%	25%	14%
GPS:					
ARE	60%	53%	64%	63%	57%
Greater Depth	7%	33%	7%	25%	14%
Maths					
ARE	60%	67%	43%	63%	42%
Greater Depth	9%	20%	14%	0%	14%

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Key Stage 2 - Average points progress to Summer 1 as tracked by INCYTE - Year 6	Bishop Bronescombe	Grampound Road	Grampound with Creed	Ladock	Veryan
Reading:					
Sch	6.43	9.35	7.29	8.75	6.86
Expected	6.0	6.0	6.0	6.0	6.0
Writing:					
Sch	7.0	9.57	6.64	9.38	10.29
Expected	6.0	6.0	6.0	6.0	6.0
Maths:					
Sch	6.25	9.07	6.93	9.37	9.71
Expected	6.0	6.0	6.0	6.0	6.0

**Percentage of children in Year 6 attaining expected level in all three subjects: reading, writing and maths (Floor targets).
National – likely to be 65% or a scaled progress score of -5 in Reading and Maths and -7 in writing.**

Bishop Bronescombe	53%
Grampound Road	57%
Grampound with Creed	73%
Ladock	38%
Veryan	29%

We will need to wait for the Inspection Data Dashboard for us to interpret this data, but it will allow us to reflect on where our schools need to work this year. This will be available after the October half term.

Conclusions from the data:

- We need to take extreme care in 2017 when analysing these outcomes as this is a new and still fairly untried assessment system.
- Four of our schools look likely to be well below floor targets for attainment. It is hoped that they will meet the progress measure and not draw the attention of the Regional Commissioner.
- The good level of development in the EYFS remains a strength of our trust.
- Year 1 phonics screening test scores are also a strength and reflect the good phonics teaching the trust now has.
- Key Stage 1 outcomes are improving in most schools but remain a concern at Bishop Bronescombe and Grampound Road.
- Key Stage 2 outcomes are inconsistent and four of our schools need to work hard to raise standards across all areas.
- Maths remains the weaker outcome in most schools and the trust has been working on why this is.

Key Performance Indicators

The St Piran's Cross Church of England Multi Academy Trust is in its fourth operating year. The trustees monitor performance through close monthly budget monitoring with the support of the Finance Committee. There is a list of key financial and performance indicators which are used.

A number of financial indicators that will be used in the future will assist the trustees in managing the Trust's financial affairs to ensure efficient operation, liquidity and effective use of resources.

As funding is based on pupil numbers this is also a key performance indicator. Pupil numbers at October 2016 were 633, an increase of 8 from 625 in October 2015.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Another key financial performance indicator is staffing costs as a percentage of GAG. For 2017 this was 91.8%, compared to 80.52% in 2016.

Going Concern

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

FINANCIAL REVIEW

Financial Review

Most of the Trust's income is obtained from the DfE via the ESFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2017 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

The land, buildings and other assets were transferred to the Trust upon conversion. Land and buildings were professionally valued in May 2014 at £6,159,000. Other assets were included on conversion at a best estimate, taking into account purchase price and remaining useful lives. Additions purchased in the year have been added to the fixed asset list.

The additions in the year includes the costs incurred on the adaptation of existing male and female toilets so as to create a disable toilet with changing facilities at Bishop Bronescombe Academy. The £68,790 project was funded by Cornwall Council, for which the Trustees are grateful.

The balance of the former school's budget share £379,061 was transferred across on conversion as unrestricted funds. The balance of unrestricted at the end of 13/14 was £470,888, at the end of 14/15 was £464,667, at the end of 15/16 was £491,826 and this year for 16/17 is £608,004.

The Trust has taken on the deficit in the Local Government Pension Scheme in respect of its non teaching staff transferred on conversion. The deficit at 13/14 was £460,000, 14/15 £473,000, 15/16 £972,000 and at the end of this financial period 16/17 is £924,000.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Executive Principal, Head Teacher, Heads of Schools and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Reserves, Capitalisation and Investment.

Reserves Policy

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

The Trustees have determined that the appropriate level of free cash reserves should be approximately two months' running costs for the 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. The Academy Trust's current level of reserves (total funds less the amount held in fixed assets and restricted funds is £608,004).

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

The defined benefit pension scheme reserve has a deficit balance. The effect of the deficit position of the pension scheme is that the Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income, whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, or direct impact on the free reserves of the Trust.

Investment Policy

The Trustees have determined that the appropriate level of free cash reserves should be approximately two months' running costs for the 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.

All funds surplus to immediate requirements are invested to optimal effect. On a daily basis this is achieved by automatic transfer of surplus funds to overnight deposit. Where cash flow allows, sums in excess of £100,000 may be invested on deposit for extended periods.

Due to the nature and timing of receipt of funding, the Trust may at times hold cash balances surplus to its short term requirements. The Trustees have authorised the opening of additional short term bank investment accounts to take advantage of higher interest rates. No other form of investment is authorised.

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

Principal Risks And Uncertainties

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

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

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

Failures in governance and/or management - the risk in this area arises from potential failure to effectively manage the Trust's finances, internal controls, compliance with regulations and legislation, statutory returns, etc. The Trustees continue to review and ensure that appropriate measures are in place to mitigate these risks.

Reputational - the continuing success of the Trust is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees ensure that student success and achievement are closely monitored and reviewed.

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

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

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Educational standards – The Trust recognises the importance of ensuring that high educational standards are present. Through teaching and learning, monitoring, systems, professional development the trust is mitigating against an OFSTED inspection which judges either the MAT or any individual school as less than 'good'.

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

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

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

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

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in note 22 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

PLANS FOR FUTURE PERIODS

The overriding priority for the Trust will be to continue to strive to provide outstanding education and improve the levels of performance of its pupils at all levels. The Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Trust will continue to develop systems to improve the financial and educational provision for all those within the organisation

The Board of Trustees continually strives to achieve the best outcomes for the children in the Trust and financial sustainability for its schools. In planning for the Executive Principal's retirement at the end of August 2017, a recruitment process was undertaken alongside consideration of the option to merge with another multi-academy trust. After much consideration the Board of Trustees decided to apply to join The Saints' Way MAT and merge the trusts into one organisation with the following potential benefits:

- Extended opportunities for school improvement.
- Increased opportunities for children to participate in a wider range of curricular and sporting activities.
- Increased school-to-school support for improved outcomes for RE, collective worship and Christian leadership in schools.
- Governance that gives a protection to church school distinction.
- Extended expertise to support schools falling below required standards.
- Increased opportunities for staff development across a larger group of schools.
- Wider opportunities for leadership across schools and hubs within the trust.
- Increased capacity across all levels of initial teacher training, staff development and leadership from achieving Teaching School status.
- Increased skills, knowledge and understanding for a strategic board of directors to hold school leaders to account.
- Increased opportunities to provide for the well-being of all staff across the trust.
- The Saints' Way Multi-Academy Trust (to be called Celtic Cross Education) is the employer of all the staff. This makes it easier to deploy staff flexibly, draw on a wider pool of opportunities for CPD, and develop a trust-wide approach to staff development and succession planning.
- The central funding agreement can make it easier to pool resources and achieve economies of scale in providing contracts and services.

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2017**

Full details of our plans for the future are given in our Trust Development Plan, which is available on our website or from the Clerk to the Trustees.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

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

AUDITORS

In so far as the Trustees are aware:

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

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

Trustees' report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 11 December 2017 and signed on the board's behalf by:

Mr R Best
Chair of Trustees

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that St Piran's Cross Church of England 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 Executive Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between St Piran's Cross Church of England Multi-Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

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

Trustee	Meetings attended	Out of a possible
Mr R Best, Chair of Trustees	7	8
Mrs S Adams	6	8
Mrs T Copping - resigned 16 May 2017	1	6
Mrs S Daniel	7	8
Mr J Keast	6	8
Mr M Lees, Executive principal	8	8
Reverend D Michael	4	8
Mr J Murfitt - resigned 10 October 2016	1	1
Mr S Renshaw - appointed 1 September 2017	0	0
Reverend A Wade	6	8
Reverend J Williams	6	8
Mr P Wootton	7	8

The Board continues to review the skills of its Trustees to ensure it has a range of experience and knowledge, and to ensure recruitment of new Trustees increases its skills-base. The Board reviews and updates the membership and terms of reference of its committees annually to ensure they achieve sufficient impact and effectiveness.

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

The Finance and Resources Committee is a sub-committee of the main Board of Trustees. Its purpose is to monitor, evaluate and review policy and performance in relation to financial management, monitor compliance with reporting and regulatory requirements, as well as reporting and drafting the annual budget including setting staffing levels.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr M Lees, Executive principal	5	5
Mrs T Copping	2	3
Mr R Best, Chair of Trustees	5	5
Reverend D Michael	2	5
Mr J Keast	1	1
Mrs S Daniel	2	5

The Audit and Risk Committee is also a sub-committee of the main Board of Trustees. Its purpose is to review the actions and judgements of management in relation to financial reporting, monitoring the integrity and effectiveness of internal controls, assess the scope and effectiveness of systems for risk management, be responsible for the internal audit function and management the relationship with external auditors.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Best, Chair of Trustees	2	2
Mrs S Daniel	1	2

REVIEW OF VALUE FOR MONEY

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

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

- The economic, efficient and effective use of all the resources in their charge to produce better educational results. For example, the Trust has kept the staffing structure under review and monthly management reports and personnel updates have been communicated to the Accounting Officer, Finance and Resources Committee and Board of Trustees. Staff have been deployed to ensure funding streams, for example Pupil Premium, are being utilised fully.
- The avoidance of waste and extravagance.
- The prudent and economical administration of the organisation.
- The establishment and maintenance of a system of financial governance, including sound internal spending controls, keeping up to date financial records, continuous financial monitoring and timely reporting.
- Ensuring all financial transactions represent value for money. For example the Trust has shared good practice with local cluster groups and collaborates between schools in the Trust by joint moderation and subject leader meetings.

GOVERNANCE STATEMENT (continued)

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in St Piran's Cross Church of England Multi-Academy Trust for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the Academy Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Academy Trust's significant risks, that has been in place for the year 1 September 2016 to 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

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

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

- Testing of payroll systems
- Testing of purchase systems
- Testing of control account/bank account reconciliations
- Budgets and financial monitoring
- Fixed assets
- Strategic and operational review

On a termly basis, the auditors report to the Board of Trustees through the audit committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

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

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Resources Committee and Audit and Risk Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the Board of Trustees on 11 December 2017 and signed on their behalf, by:

**Mr R Best, Chair
Chair of Trustees**

**Mr S Renshaw
Accounting Officer**

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of St Piran's Cross Church of England Multi-Academy Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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

**Mr S Renshaw
Accounting Officer**

Date: 11 December 2017

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2017**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

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

Mr R Best
Chair of Trustees

Date: 11 December 2017

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST**

OPINION

We have audited the financial statements of St Piran's Cross Church of England Multi-Academy Trust for the year ended 31 August 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

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

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 2017 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

BASIS OF OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST**

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report and the Strategic report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the Academy Trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF ST
PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST**

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

Alison Oliver FCA (Senior Statutory Auditor)
for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP
Date:

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ST PIRAN'S
CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING
AGENCY**

In accordance with the terms of our engagement letter dated 27 June 2017 and further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by St Piran's Cross Church of England Multi-Academy Trust during the year 1 September 2016 to 31 August 2017 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 St Piran's Cross Church of England Multi-Academy Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to St Piran's Cross Church of England Multi-Academy Trust and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than St Piran's Cross Church of England Multi-Academy Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**RESPECTIVE RESPONSIBILITIES OF ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY
TRUST'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT**

The Accounting Officer is responsible, under the requirements of St Piran's Cross Church of England Multi-Academy Trust's funding agreement with the Secretary of State for Education dated 26 November 2013, and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. 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 2016 to 31 August 2017 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

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

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

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO ST PIRAN'S
CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST AND THE EDUCATION AND SKILLS FUNDING
AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Alison Oliver FCA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Chy Nyverow
Newham Road
Truro
Cornwall
TR1 2DP

Date:

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	As restated Total funds 2016 £
INCOME FROM:						
Donations and capital grants	3	13,511	108,732	239,152	361,395	242,148
Charitable activities	6	230,454	2,994,201	-	3,224,655	3,252,705
Other trading activities	4	87,021	-	-	87,021	67,722
Investments	5	654	-	-	654	1,006
Other income		24,500	-	-	24,500	34,237
TOTAL INCOME		356,140	3,102,933	239,152	3,698,225	3,597,818
EXPENDITURE ON:						
Raising funds		59,599	-	-	59,599	56,839
Charitable activities		205,370	3,507,067	87,260	3,799,697	3,385,853
TOTAL EXPENDITURE	7	264,969	3,507,067	87,260	3,859,296	3,442,692
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
		91,171	(404,134)	151,892	(161,071)	155,126
Transfers between Funds	18	25,008	264,014	(289,022)	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES						
		116,179	(140,120)	(137,130)	(161,071)	155,126
Actuarial gains/(losses) on defined benefit pension schemes	22	-	134,000	-	134,000	(474,000)
NET MOVEMENT IN FUNDS		116,179	(6,120)	(137,130)	(27,071)	(318,874)
RECONCILIATION OF FUNDS:						
Total funds brought forward		491,824	(719,318)	6,576,861	6,349,367	332,465
Prior year adjustment		-	-	(6,335,776)	(6,335,776)	-
TOTAL FUNDS CARRIED FORWARD		608,003	(725,438)	103,955	(13,480)	13,591

The notes on pages 29 to 53 form part of these financial statements.

ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 08739625

BALANCE SHEET
AS AT 31 AUGUST 2017

	Note	£	2017 £	As restated 2016 £
FIXED ASSETS				
Tangible assets	14		145,177	165,360
CURRENT ASSETS				
Debtors	15	116,251	112,525	
Cash at bank and in hand		976,825	1,014,245	
		<u>1,093,076</u>	<u>1,126,770</u>	
CREDITORS: amounts falling due within one year	16	(319,524)	(306,539)	
NET CURRENT ASSETS			<u>773,552</u>	<u>820,231</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>918,729</u>	<u>985,591</u>
Provisions for Liabilities	17		<u>(8,209)</u>	-
NET ASSETS EXCLUDING PENSION SCHEME LIABILITIES			<u>910,520</u>	<u>985,591</u>
Defined benefit pension scheme liability	22		<u>(924,000)</u>	<u>(972,000)</u>
NET ASSETS			<u><u>(13,480)</u></u>	<u><u>13,591</u></u>
FUNDS OF THE ACADEMY TRUST				
Restricted funds:				
General funds	18	198,562	252,682	
Fixed asset funds	18	103,955	241,085	
		<u>302,517</u>	<u>493,767</u>	
Restricted funds excluding pension liability		302,517	493,767	
Pension reserve		<u>(924,000)</u>	<u>(972,000)</u>	
Total restricted funds			<u>(621,483)</u>	<u>(478,233)</u>
Unrestricted funds	18		<u>608,003</u>	<u>491,824</u>
TOTAL (DEFICIT)/FUNDS			<u><u>(13,480)</u></u>	<u><u>13,591</u></u>

The financial statements on pages 26 to 53 were approved by the Trustees, and authorised for issue, on 11 December 2017 and are signed on their behalf, by:

Mr R Best
Chair of Trustees

The notes on pages 29 to 53 form part of these financial statements.

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2017**

	Note	2017 £	As restated 2016 £
Cash flows from operating activities			
Net cash (used in)/provided by operating activities	20	<u>(210,151)</u>	<u>100,490</u>
Cash flows from investing activities:			
Dividends, interest and rents from investments		656	1,006
Purchase of tangible fixed assets		(67,077)	(94,909)
Capital grants from DfE/ESFA		<u>239,152</u>	<u>208,457</u>
Net cash provided by investing activities		<u>172,731</u>	<u>114,554</u>
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		<u>1,014,245</u>	<u>799,201</u>
Cash and cash equivalents carried forward	21	<u><u>976,825</u></u>	<u><u>1,014,245</u></u>

The notes on pages 29 to 53 form part of these financial statements.

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

St Piran's Cross Church of England Multi-Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 FUND ACCOUNTING

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

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

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.3 INCOME

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

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

General Annual Grant is recognised in full in the Statement of Financial Activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability.

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

Capital grants received towards capital improvement of diocesan owned premises, is recognised as restricted donations from non-charitable activities. The corresponding expenditure is recognised a revenue expenditure in the SOFA and disclosed as grant expenditure in note 9.

Sponsorship income provided to the Academy Trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable, where receipt is probable and it is measurable.

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

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.4 EXPENDITURE

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

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

Expenditure on charitable activities are costs incurred on the Academy Trust's educational operations, including support costs and those costs relating to the governance of the Academy Trust appointed to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

1.5 GOING CONCERN

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

Where the Academy Trust has been granted use of school buildings from the Diocese of Truro under Supplemental Agreements, the Academies Accounts Direction prescribes that under this agreement the risks and rewards of ownership remain with the Diocese. A donation from the Diocese has been recognised equal to the deemed rental expense, based on the rateable value of the buildings. This approach differs to the 2016 accounts where the risks and rewards were deemed with the Academy Trust under the ESFA guidance, hence a prior year adjustment has been made to remove these assets.

The Supplemental Agreement includes the right for the Diocese of Truro Trustees to give not less than 2 years written notice to the Academy Trust and Secretary of State for Education to terminate the agreement. No such written notice has been received as at the date of the approval of the financial statements.

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

Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	20% straight line
Computer equipment	-	33% straight line

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities.

1.7 OPERATING LEASES

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

1.8 TAXATION

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

1.9 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

1.10 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

1.11 LIABILITIES AND PROVISIONS

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.12 FINANCIAL INSTRUMENTS

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

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 16. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.13 PENSIONS

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

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

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

1. ACCOUNTING POLICIES (continued)

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

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

1.14 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2017 has been used by the actuary in valuing the pensions liability at 31 August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

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

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

2. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2017 £	2016 £
Depreciation of tangible fixed assets: - owned by the charity	81,955	108,613
Auditors' remuneration - audit	8,750	4,550
Auditors' remuneration - other services	4,063	7,935
Loss on disposal of fixed assets	-	19,349
	<u> </u>	<u> </u>

3. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Donations	13,511	108,732	-	122,243	84,522
Capital Grants	-	-	239,152	239,152	157,626
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	13,511	108,732	239,152	361,395	242,148
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Total 2016</i>	11,023	22,668	208,457	242,148	
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Lettings	1,931	-	1,931	1,118
Fees received and other	85,090	-	85,090	66,604
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	87,021	-	87,021	67,722
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
<i>Total 2016</i>	67,722	-	67,722	
	<u> </u>	<u> </u>	<u> </u>	

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

5. INVESTMENT INCOME

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Bank interest	654	-	654	1,006
<i>Total 2016</i>	1,006	-	1,006	

6. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Education	64,936	2,990,604	3,055,540	3,099,239
Nursery	165,518	3,597	169,115	153,466
	230,454	2,994,201	3,224,655	3,252,705
<i>Total 2016</i>	27,778	3,224,927	3,252,705	

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant	-	2,659,661	2,659,661	2,661,150
Other DfE/ESFA grants	-	278,372	278,372	350,914
	<u>-</u>	<u>2,938,033</u>	<u>2,938,033</u>	<u>3,012,064</u>
Other Government grants				
Other Government grants	-	42,655	42,655	3,000
	<u>-</u>	<u>42,655</u>	<u>42,655</u>	<u>3,000</u>
Other funding				
Internal catering income	33,513	-	33,513	37,342
Sales to students	2,453	-	2,453	3,063
Other	28,970	9,916	38,886	43,770
	<u>64,936</u>	<u>9,916</u>	<u>74,852</u>	<u>84,175</u>
	<u>64,936</u>	<u>2,990,604</u>	<u>3,055,540</u>	<u>3,099,239</u>
<i>Total 2016</i>	<u>3,063</u>	<u>3,096,176</u>	<u>3,099,239</u>	

7. EXPENDITURE

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	As restated Total 2016 £
Expenditure on fundraising trading	47,588	-	12,011	59,599	56,839
Education:					
Direct costs	2,036,517	-	303,689	2,340,206	2,162,545
Support costs	314,621	683,158	307,927	1,305,706	1,102,533
Nursery: Direct costs	109,128	-	44,657	153,785	120,775
	<u>2,507,854</u>	<u>683,158</u>	<u>668,284</u>	<u>3,859,296</u>	<u>3,442,692</u>
<i>Total 2016</i>	<u>2,324,123</u>	<u>571,759</u>	<u>546,810</u>	<u>3,442,692</u>	

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

8. DIRECT COSTS

	Education £	Nursery £	Total 2017 £	Total 2016 £
Pension finance costs	12,000	-	12,000	-
Educational supplies	169,535	6,939	176,474	191,412
Staff development	34,961	-	34,961	21,149
Other costs	14,484	-	14,484	19,547
Technology costs	38,154	-	38,154	50,731
Wages and salaries	1,582,844	115,149	1,697,993	1,595,884
National insurance	120,192	7,719	127,911	106,139
Pension cost	299,587	20,244	319,831	262,194
Depreciation	68,449	3,734	72,183	-
	<u>2,340,206</u>	<u>153,785</u>	<u>2,493,991</u>	<u>2,247,056</u>
<i>Total 2016</i>	<u>2,128,308</u>	<u>118,748</u>	<u>2,247,056</u>	

9. SUPPORT COSTS

	Education £	Total 2017 £	Total 2016 £
Pension finance costs	9,000	9,000	18,000
Recruitment and support	2,944	2,944	2,717
Maintenance of premises and equipment	376,277	376,277	232,728
Cleaning	69,603	69,603	76,544
Rent and rates	150,452	150,452	66,673
Energy costs	35,084	35,084	29,315
Insurance	44,278	44,278	48,747
Security and transport	37,236	37,236	17,230
Catering	147,406	147,406	137,211
Technology costs	20,974	20,974	3,277
Office overheads	40,614	40,614	33,385
Legal and professional	27,001	27,001	17,296
Bank interest and charges	1,136	1,136	1,172
Loss on disposal of fixed assets	5,305	5,305	9,139
Governance	14,093	14,093	13,024
Wages and salaries	228,641	228,641	256,742
National insurance	15,013	15,013	9,825
Pension cost	70,877	70,877	57,159
Depreciation	9,772	9,772	108,613
	<u>1,305,706</u>	<u>1,305,706</u>	<u>1,138,797</u>
<i>Total 2016</i>	<u>1,114,875</u>	<u>1,114,875</u>	

During the year ended 31 August 2017, the Academy Trust incurred the following Governance costs: £14,093 (2016: £13,024) included within the table above in respect of Education.

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

10. STAFF COSTS

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	1,858,550	1,805,957
Social security costs	144,770	117,230
Operating costs of defined benefit pension schemes	396,618	324,726
	<u>2,399,938</u>	<u>2,247,913</u>
Supply teacher costs	97,727	40,614
Staff restructuring costs	10,189	35,596
	<u>2,507,854</u>	<u>2,324,123</u>

Staff restructuring costs comprise:

	2017 £	2016 £
Redundancy payments	-	11,364
Severance payments	10,189	24,232
	<u>10,189</u>	<u>35,596</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £2,008 (2016: £132) paid to one individual.

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

	2017 No.	2016 No.
Teachers	30	31
Administration and support	76	65
Management	9	9
	<u>115</u>	<u>105</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2017 No.	2016 No.
In the band £60,001 - £70,000	1	1

The key management personnel of the Academy Trust comprise the Trustees and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including pension contributions) received by key management personnel for their services to the Academy Trust was £126,647 (2016: £187,476).

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

11. TRUSTEES' REMUNERATION AND EXPENSES

The Executive Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Principal and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration in the year was as follows: Mr M Lees - sixty-five to seventy thousand pounds. The value of trustees' pension contributions in respect of defined benefit schemes made in the year was as follows: Mr M Lees - ten to fifteen thousand pounds.

The value of Trustees' remuneration in the prior year was as follows: Mr M Lees - sixty to sixty-five thousand pounds. The value of Trustees' pension contributions in respect of defined benefit schemes made in the prior year was as follows: Mr M Lees - ten to fifteen thousand pounds.

Other related party transactions involving the Trustees are set out in note 25.

During the year, no Trustees received any remuneration (2016: £NIL).

During the year, no Trustees received any benefits in kind (2016: £NIL).

During the year ended 31 August 2017, expenses totalling £23 (2016: £NIL) were reimbursed to 1 Trustee (2016: £NIL).

**ST PIRAN'S CROSS CHURCH OF ENGLAND MULTI-ACADEMY TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

12. CENTRAL SERVICES

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

- Finance, administration and budget management
- Building and Supply Insurance
- Staff INSET training
- HR and Payroll Management – Processing and associated costs
- Educational and Strategic Leadership from the Executive Principal
- School Improvement
- Health & Safety
- Thrive Practitioner training
- Plant Engineering Inspection & Insurance
- Premises support and Contractor and Statutory Compliance management
- Legal Support
- Clerking
- Pension Deficit costs
- Fixed Asset Register Management
- IT services

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

The full cost of the provision of central services is recharged to the academies proportionately based on pupil numbers.

The actual amounts charged during the year were as follows:

	2017	2016
	£	£
Bishop Bronescombe Church of England Primary School	161,028	152,556
Grampound with Creed Church of England Primary School	30,252	36,180
Grampound Road Village Church of England Primary School	62,052	60,144
Ladock Church of England Primary School	38,964	37,164
Veryan Church of England Primary School	28,188	27,384
	320,484	313,428
Total	<u><u>320,484</u></u>	<u><u>313,428</u></u>

13. TRUSTEES' AND OFFICERS' INSURANCE

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2017**

14. TANGIBLE FIXED ASSETS

	Motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
COST				
At 1 September 2016 as restated	4,500	229,706	192,481	426,687
Additions	-	22,801	44,276	67,077
Disposals	-	(12,509)	-	(12,509)
	<u>4,500</u>	<u>239,998</u>	<u>236,757</u>	<u>481,255</u>
At 31 August 2017	4,500	239,998	236,757	481,255
DEPRECIATION				
At 1 September 2016 as restated	4,012	103,197	154,118	261,327
Charge for the year	83	47,327	34,545	81,955
On disposals	-	(7,204)	-	(7,204)
	<u>4,095</u>	<u>143,320</u>	<u>188,663</u>	<u>336,078</u>
At 31 August 2017	4,095	143,320	188,663	336,078
NET BOOK VALUE				
At 31 August 2017	<u>405</u>	<u>96,678</u>	<u>48,094</u>	<u>145,177</u>
At 31 August 2016 as restated	<u>488</u>	<u>126,509</u>	<u>38,363</u>	<u>165,360</u>

15. DEBTORS

	2017 £	2016 £
Trade debtors	12,336	3,040
Other debtors	55,536	36,462
Prepayments and accrued income	48,379	73,023
	<u>116,251</u>	<u>112,525</u>

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2017 £	2016 £
Trade creditors	59,247	54,007
Other taxation and social security	36,800	33,962
Other creditors	58,925	67,712
Accruals and deferred income	164,552	150,858
	<u>319,524</u>	<u>306,539</u>

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

	2017 £	2016 £
DEFERRED INCOME		
Deferred income at 1 September 2016	53,391	59,073
Resources deferred during the year	46,396	53,391
Amounts released from previous years	(53,391)	(59,073)
	<u>46,396</u>	<u>53,391</u>
Deferred income at 31 August 2017	<u>46,396</u>	<u>53,391</u>

At the balance sheet date the Academy Trust was holding funds received in advance for Universal Infant Free School meals of £46,396 (2016: 46,398), as well as Condition Improvement funding of £Nil (2016: £6,993).

17. PROVISIONS

	Provision £
Additions	8,209
At 31 August 2017	<u>8,209</u>

REDUNDANCY

At the end of the year there was a severance payment that would become payable in September 2017.

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18. STATEMENT OF FUNDS

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
UNRESTRICTED FUNDS						
General funds	491,824	356,140	(264,969)	25,008	-	608,003
RESTRICTED FUNDS						
General Annual Grant (GAG)	169,729	2,637,312	(2,635,449)	-	-	171,592
Higher Needs	-	22,874	(22,874)	-	-	-
Pupil Premium	-	198,838	(198,838)	-	-	-
PE grant	22,307	42,655	(41,817)	-	-	23,145
Universal Free School Meals	2,663	79,535	(82,198)	-	-	-
Early Years funding	25,008	-	-	(25,008)	-	-
Nursery Pupil Premium	-	3,597	(3,597)	-	-	-
Diocean property rent	-	108,732	(108,732)	-	-	-
Capital spent on church building improvements	-	-	(289,022)	289,022	-	-
Other restricted funds	32,975	9,390	(38,540)	-	-	3,825
Pension reserve	(972,000)	-	(86,000)	-	134,000	(924,000)
	<u>(719,318)</u>	<u>3,102,933</u>	<u>(3,507,067)</u>	<u>264,014</u>	<u>134,000</u>	<u>(725,438)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	36,462	-	(20,157)	-	-	16,305
Condition Improvement Fund unspent	-	127,697	-	(119,084)	-	8,613
DfE/ ESFA funded assets	127,146	111,455	(67,103)	(139,755)	-	31,743
DFC unspent balance	32,285	-	-	(30,183)	-	2,102
DFC pre conversion	45,192	-	-	-	-	45,192
	<u>241,085</u>	<u>239,152</u>	<u>(87,260)</u>	<u>(289,022)</u>	<u>-</u>	<u>103,955</u>
Total restricted funds	<u>(478,233)</u>	<u>3,342,085</u>	<u>(3,594,327)</u>	<u>(25,008)</u>	<u>134,000</u>	<u>(621,483)</u>
Total of funds	<u>13,591</u>	<u>3,698,225</u>	<u>(3,859,296)</u>	<u>-</u>	<u>134,000</u>	<u>(13,480)</u>

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18. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	Brought forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
UNRESTRICTED FUNDS						
General funds	464,666	141,766	(114,608)	-	-	491,824
	<u>464,666</u>	<u>141,766</u>	<u>(114,608)</u>	<u>-</u>	<u>-</u>	<u>491,824</u>
RESTRICTED FUNDS						
General Annual Grant (GAG)	68,978	2,661,150	(2,500,092)	(60,307)	-	169,729
Higher Needs	-	26,391	(29,872)	3,481	-	-
Pupil Premium	-	193,073	(193,073)	-	-	-
PE grant	21,611	42,715	(41,350)	(669)	-	22,307
Universal Free School Meals	-	88,735	(86,072)	-	-	2,663
Early Years funding	-	128,751	(101,453)	(2,290)	-	25,008
Other restricted funds	30,760	84,112	(80,774)	(1,123)	-	32,975
Pension reserve	(473,000)	-	(25,000)	-	(474,000)	(972,000)
	<u>(351,651)</u>	<u>3,224,927</u>	<u>(3,057,686)</u>	<u>(60,908)</u>	<u>(474,000)</u>	<u>(719,318)</u>
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	6,042,909	-	(161,069)	-	-	5,881,840
Condition Improvement Fund unspent	121,247	118,598	(4,846)	-	-	234,999
Academies Capital Maintenance Fund	132,032	-	(2,710)	-	-	129,322
DfE/ ESFA funded assets	236,753	44,667	(77,852)	49,655	-	253,223
Devolved Formula Capital (DFC) unspent balance	21,032	-	-	11,253	-	32,285
DFC pre conversion	-	45,192	-	-	-	45,192
	<u>6,553,973</u>	<u>208,457</u>	<u>(246,477)</u>	<u>60,908</u>	<u>-</u>	<u>6,576,861</u>
Total restricted funds	<u>6,202,322</u>	<u>3,433,384</u>	<u>(3,304,163)</u>	<u>-</u>	<u>(474,000)</u>	<u>5,857,543</u>
Total of funds	<u>6,666,988</u>	<u>3,575,150</u>	<u>(3,418,771)</u>	<u>-</u>	<u>(474,000)</u>	<u>6,349,367</u>

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

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

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18. STATEMENT OF FUNDS (continued)

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

Pupil Premium - Pupil premium represents funding received from the ESFA for children that qualify for free school meals to enable the Academy Trust to address underlying inequalities faced by disadvantaged children.

PE grant - The PE and sport premium is designed to help primary schools improve the quality of the PE and sport activities they offer their pupils.

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

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

CIF Funding - Condition Improvement Funding received from the ESFA for Capital projects.

Academies Capital Maintenance Fund (ACMF) - These funds were received to improve the condition of school buildings and facilities. ACMF is administered by the ESFA.

Devolved Formula Capital (DFC) - These funds were received for direct expenditure on fixed asset projects. The balance at the year end represents the net book value of assets and any unspent grant amounts.

Access Initiative - Funding received from Cornwall Council for Capital projects included in other grants.

Transfers between Restricted and Unrestricted funds relates to Early Years Funding being incorrectly classified as Restricted in the prior year.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2017.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £	Total 2016 £
Bishop Bronescombe Church of England Primary School	283,602	231,562
Grampound with Creed Church of England Primary School	87,069	131,299
Grampound Road Village Church of England Primary School	148,075	137,027
Ladock Church of England Primary School	198,431	180,338
Veryan Church of England Primary School	37,960	25,972
Central services	51,429	38,309
Total before fixed asset fund and pension reserve	806,566	744,507
Restricted fixed asset fund	103,955	241,085
Pension reserve	(924,000)	(972,000)
Total	(13,479)	13,592

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18. STATEMENT OF FUNDS (continued)

ANALYSIS OF ACADEMIES BY COST

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2017 £	Total 2016 £
Bishop Bronescombe Church of England Primary School	955,928	64,069	76,358	245,144	1,341,499	1,311,345
Grampound with Creed Church of England Primary School	259,289	24,735	22,391	93,227	399,642	341,079
Grampound Road Village Church of England Primary School	334,389	27,075	30,097	112,395	503,956	498,097
Ladock Church of England Primary School	298,092	34,372	22,142	113,204	467,810	383,271
Veryan Church of England Primary School	202,778	20,636	14,542	58,761	296,717	315,769
Central services	106,847	114,644	10,944	117,719	350,154	341,607
	<u>2,157,323</u>	<u>285,531</u>	<u>176,474</u>	<u>740,450</u>	<u>3,359,778</u>	<u>3,191,168</u>

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	1	41,221	103,955	145,177
Current assets	608,002	485,074	-	1,093,076
Creditors due within one year	-	(319,524)	-	(319,524)
Provisions for liabilities and charges	-	(932,209)	-	(932,209)
	<u>608,003</u>	<u>(725,438)</u>	<u>103,955</u>	<u>(13,480)</u>

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19. ANALYSIS OF NET ASSETS BETWEEN FUNDS (continued)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds	Restricted funds	Restricted fixed asset funds	Total funds
	2016 £	2016 £	2016 £	2016 £
Tangible fixed assets	(5,000,607)	-	5,165,969	165,362
Current assets	490,066	481,532	155,170	1,126,768
Creditors due within one year	-	(228,850)	(77,689)	(306,539)
Provisions for liabilities and charges	-	(972,000)	-	(972,000)
	<u>(4,510,541)</u>	<u>(719,318)</u>	<u>5,243,450</u>	<u>13,591</u>

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

	2017 £	2016 £
Net (expenditure)/income for the year (as per Statement of Financial Activities)	(161,071)	155,126
Adjustment for:		
Depreciation charges	81,955	108,613
Dividends, interest and rents from investments	(654)	(1,006)
Loss on the sale of fixed assets	5,305	19,349
Increase/(decrease) in provisions for liabilities	8,209	(41,893)
(Increase)/decrease in debtors	(3,730)	37,792
Increase in creditors	12,987	5,966
Capital grants from DfE and other capital income	(239,152)	(208,457)
Defined benefit pension scheme obligation inherited	65,000	7,000
Defined benefit pension scheme finance cost	21,000	18,000
Net cash (used in)/provided by operating activities	<u>(210,151)</u>	<u>100,490</u>

21. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2017 £	2016 £
Cash at bank and in hand	976,825	1,014,245
	<u>976,825</u>	<u>1,014,245</u>

**NOTES TO THE FINANCIAL STATEMENTS
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22. PENSION COMMITMENTS

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2017.

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

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

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

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

The employer's pension costs paid to TPS in the period amounted to £193,571 (2016: £192,332).

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

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22. PENSION COMMITMENTS (continued)

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £174,000 (2016: £159,000), of which employer's contributions totalled £138,000 (2016: £126,000) and employees' contributions totalled £36,000 (2016: £33,000). The agreed contribution rates for future years are 20.1% for employers and 5.9% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.50 %	2.10 %
Rate of increase in salaries	2.50 %	4.10 %
Rate of increase for pensions in payment / inflation	2.40 %	2.10 %

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

	2017	2016
Retiring today		
Males	22.1	22.2
Females	24.5	24.4
Retiring in 20 years		
Males	24.0	24.4
Females	26.4	26.8

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	652,000	594,000
Cash	42,000	25,000
Corporate bonds	597,000	533,000
Property	97,000	87,000
Total market value of assets	<u>1,388,000</u>	<u>1,239,000</u>

The actual return on scheme assets was £28,000 (2016: £40,000).

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22. PENSION COMMITMENTS (continued)

The amounts recognised in the Statement of financial activities incorporating income and expenditure account are as follows:

	2017 £	2016 £
Current service cost	(203,000)	(133,000)
Interest income	28,000	40,000
Interest cost	(49,000)	(58,000)
	<u> </u>	<u> </u>
Total	<u><u>(224,000)</u></u>	<u><u>(151,000)</u></u>

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

	2017 £	2016 £
Opening defined benefit obligation	2,211,000	1,442,000
Current service cost	203,000	133,000
Interest cost	49,000	58,000
Employee contributions	36,000	33,000
Actuarial (gains)/losses	(172,000)	545,000
Benefits paid	(15,000)	-
	<u> </u>	<u> </u>
Closing defined benefit obligation	<u><u>2,312,000</u></u>	<u><u>2,211,000</u></u>

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

	2017 £	2016 £
Opening fair value of scheme assets	1,239,000	969,000
Interest income	28,000	40,000
Actuarial gains/(losses)	(38,000)	71,000
Employer contributions	138,000	126,000
Employee contributions	36,000	33,000
Benefits paid	(15,000)	-
	<u> </u>	<u> </u>
Closing fair value of scheme assets	<u><u>1,388,000</u></u>	<u><u>1,239,000</u></u>

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23. OPERATING LEASE COMMITMENTS

At 31 August 2017 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2017	2016
	£	£
AMOUNTS PAYABLE:		
Within 1 year	15,614	20,624
Between 1 and 5 years	4,238	18,564
Total	19,852	39,188

24. RELATED PARTY TRANSACTIONS

Owing to the nature of the Academy Trust's operations and the composition of the Board of Trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which a Trustee has an interest. All transactions involving such organisations are conducted at arm's length and in accordance with the Academy Trust's financial regulations and normal procurement procedures. The following related party transactions took place in the period of account.

Askel Veur The Diocese of Truro Academies Umbrella Company Limited - a company which is a Member of the Academy Trust, charged the Academy Trust £Nil (2016: £1,000) for school placement services. At the balance sheet date the amount due from Askel Veur Diocese of Truro Academies Umbrella Company Limited was £Nil (2016: £1,000).

The Truro Diocesan Board of Finance Limited - a company controlled by the Diocese, charged the Academy Trust £492 (2016: £1,650) for a services and meetings.

Diocese of Truro Enterprises - a company of which The Truro Diocesan Board of Finance Limited owns the whole of the share capital, charged the Academy Trust £Nil (2016: £120) for capital project management services.

In entering into the above transactions the Academy Trust has complied with the requirements of the ESFA's Academies Financial Handbook.

25. FINANCIAL INSTRUMENTS

	2017	2016
	£	£
Financial assets measured at amortised cost	53,766	45,673
Financial liabilities measured at amortised cost	273,128	253,150

Financial assets measured at amortised cost comprise of trade debtors and accrued income.

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

26. POST BALANCE SHEET EVENTS

The Trust board has previously taken the decision to join the Saints Way Church of England Multi Academy Trust with effect from 1 December 2017.

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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.