

Abbey Multi Academy Trust
(formerly Abbey Grange Church of
England Academy Trust)
(A company limited by guarantee)

ANNUAL REPORT AND FINANCIAL STATEMENTS

for the year ended
31 August 2014

Company Registration No. 07705552

Abbey Multi Academy Trust

(formerly Abbey Grange Church of England Academy Trust)

REFERENCE AND ADMINISTRATIVE DETAILS

Members

N Greenwood (resigned 1 January 2014)
C Sedgewick (resigned 1 January 2014)
A Nicholl (appointed 1 January 2014)
R Noake (appointed 1 January 2014)

Governors

K Stewart *# (Chair)
F Baker*#
L Chapman
S Futers#
C Green
I Heald
D Kilkenny*(Staff Governor) (resigned 30 November 2013)
C Kitson* (Executive Principal and Accounting officer)
C Pyrah
T Raddings*
D Stevens*
S Simkins*#
L Wilson
Mr J Rex (Associate Governor)
D Ryder* (staff governor, appointed 1 October 2013)
S Johnston (appointed 30 September 2013)
A Brivonese (staff governor, appointed 24 February 2014)
J Waterhouse (appointed 21 February 2014)

* Members of Finance Committee
Members of Audit Committee

Senior Management Team

- | | |
|-----------------------|------------|
| • Executive Principal | C Kitson |
| • Head of School | J Norden |
| • Deputy Principal | P Cooper |
| • Assistant Principal | R Cole |
| • Assistant Principal | C Clarke |
| • Assistant Principal | D Whieldon |
| | J Lyle |

Principal and Registered Office

Abbey Multi Academy Trust
Butcher Hill
Leeds
West Yorkshire
LS16 5EA

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)
REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Lloyds TSB
PO Box 96
6-7 Park Row
Leeds
LS1 1NX

Auditor

Baker Tilly UK Audit LLP
2 Whitehall Quay
Leeds
LS1 4HG

Solicitors

Brown Jacobson LLP
Ground Floor
3 Piccadilly Place
Manchester
M1 3BN

Company Registration Number

07705552

Abbey Multi Academy Trust

(formerly Abbey Grange Church of England Academy Trust)

GOVERNORS' REPORT

The Governors present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2014.

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 dated 23 August 2013 are the primary governing documents of the Academy Trust. The Governors act as trustees for the charitable activities of the Academy and are also the directors of the Charitable Company for the purposes of company law. The charitable company is known as Abbey Multi Academy Trust.

Details of the Governors who served throughout the period except as noted are included in the Reference and Administrative Information on page 1.

Members' liability

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

Governors' indemnities

The Academy has purchased insurance to protect Governors from claims arising against negligent acts, errors or omissions occurring whilst on Academy business. Further details are provided in note 13.

Principal Activities

The principal activity is the operation of Abbey Multi Academy Trust. Further details are provided under 'Objectives and Activities'.

Method of Recruitment and Appointment of Election of Governors

The Management of the Academy is the responsibility of the Governors who are elected and co-opted under the terms of the Academy deed. The Governors are directors of the charitable company for the purposes of the Companies Act 2006 and Governors for the purposes of the charity legislation.

The term of office for any Governor shall be four years except for the Principal for whom there is no time limit. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

Policies and Procedures Adopted for the Induction and Training of Governors

The training and induction provided for new Governors depends on their existing experience. Where necessary induction and training is provided on charity, educational, legal and financial matters. All new Governors are given a tour of the Academy and the chance to meet with staff and students. All Governors are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Governors. As there are normally only one or two new Governors a year, induction tends to be done informally and is tailored specifically to the individual.

Abbey Multi Academy Trust

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GOVERNORS' REPORT (continued)

Organisational Structure

During the year the Academy continued to operate a unified management structure. The structure consists of four levels: the Governors, The Executive Group, the Senior Leadership Team and the Steering Group. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels.

The Governors are responsible for setting general policy, adopting an annual development plan and budget, monitoring the Academy by the use of budgets and making major decisions about the direction of the Academy, capital expenditure and senior staff appointments.

The Governing Body operated an extensive committee structure reporting into the main Governing Body. Committees include the Finance Committee, Audit Committee, Personnel Committee, Admissions Committee, Learning and Teaching Committee and Student Support Committee. All have approved terms of reference set out in the Governing Body Standing Orders.

The Executive Group consists of the Principal and Vice Principal who control the Academy at an executive level implementing the policies laid down by the Governors and reporting back to them. As a group the Executive are responsible for the authorisation of spending within agreed budgets and the appointment of staff for posts in the Senior Leadership Team, through appointment boards which will contain a Governor. Some spending control is devolved to members of the Senior Leadership Team.

The Senior Leadership Team includes the Executive Group and the five members of the Senior Leadership Team. The Steering Group of the Academy consists of the five Curriculum Area Leaders and Senior Leadership team. These leaders are responsible for the day-to-day operation of the Academy, in particular organising the teaching staff, facilities and students. Members of the Steering Group have delegated budget management responsibilities.

Connected Organisations, including Related Party Relationships

There are no connected organisations. Related Party transactions are disclosed under note 27.

Risk Management

The Governors have assessed the major risks to which the Academy is exposed, in particular those relating specifically to teaching, provision of facilities and other operational areas of the Academy, and its finances. The Governors have implemented a number of systems to assess risks that the school faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school visits) and in relation to the control of finance. Where significant financial risk still remains they have ensured they have adequate insurance cover. The Academy has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

The Academy has fully implemented the requirements of the Safer Recruitment procedures and all relevant employees have received training in this area in addition to training on Child Protection.

OBJECTIVES AND ACTIVITIES

Objects and Aims

The Academy objective is set out in its Articles of Association. In summary it is to establish, maintain, manage and develop a school with a designated Church of England religious character offering a broad and balanced curriculum conducted in accordance with the principles, practices and tenets of the Church of England.

Abbey Multi Academy Trust

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GOVERNORS' REPORT (continued)

In accordance with the Articles of Association the Academy has adopted a "Funding Agreement" approved by the Secretary of State for Education. The Funding Agreement specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum with an emphasis on Humanities.

The Academy has a vision that Abbey Multi Academy Trust will be considered an outstanding and vibrant learning community within three years where all are educated, nurtured and empowered to live and participate a fulfilled life in an ever-changing world. Abbey Multi Academy Trust's mission to work in Partnership to Educate, Nurture and Empower, where every individual is celebrated as a unique individual, will pervade all aspects of its provision and activity. We aspire to Abbey Multi Academy Trust working in local, national and global partnerships.

The Academy's Development Plan is reviewed annually by Governors. The main objectives of the Academy during the year 1 September 2013 to 31 August 2014 are summarised below:

Educate

We educate the young people entrusted into our care by giving them the highest standard of teaching and learning. We have high expectations of each individual and by setting them appropriate academic and personal challenges throughout their time with us we encourage each individual to be aware of his or her limitless potential. We will specifically work towards this by:

- Development of independent learners with appropriate curriculum provision and access.
- Ensure aspiration and challenge drive performance, progress and achievement, challenging underperformance at all levels.

Nurture

We nurture our students by providing them with a safe, caring, loving environment within a firm framework of positive discipline and firmly rooted in our inclusive pastoral system. We want our students to develop in self-confidence and self-understanding within the Christian family of the school community. We expect our students to conform to our firm but fair framework of positive discipline which is based on the framework of Christian teaching. We encourage our students to take responsibility for themselves, providing support for those who find difficulty with this but dealing firmly with those who do not meet expectations. We will specifically work towards this by:

- Developing a safe and inclusive school environment.
- Developing the confidence and emotional wellbeing of everyone in the school community.

Empower

We empower young people by giving them opportunities to enable them to recognise their potential and to express this in what they do within the school and the wider community. We will specifically work towards this by:

- Developing the skills for everyone within the school community to fulfil their potential and become active and positive citizens and role models.

In Partnership

We know that we need to work together and in partnership with others for mutual respect and understanding if we are to achieve success for each and every individual entrusted to our care. We will seek to gain and develop partnerships of mutual benefit, so that the opportunities of our students are enhanced and their awareness of their place in the world is developed. We will specifically work towards this by:

- Developing positive working relationships with all stakeholders and the wider community.

Abbey Multi Academy Trust

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GOVERNORS' REPORT (continued)

Objectives, Strategies and Activities

Abbey Multi Academy Trust aims to provide creative and inspirational learning experiences which encourage young people to achieve their full potential and to become intelligent, responsible, productive and caring adults who are well prepared for the challenges of an ever changing world full of opportunities. Abbey Multi Academy Trust is a learning community in which all ages meet to share and develop their talents and to promote mutual respect for all people; whatever their age, gender, ability, background or beliefs.

To this end the objectives and the strategies used to achieve them include:

Educate:

- On line reporting system developed to use across all year groups
- Continued and effective use of diagnostic marking throughout the school so that every individual student has full awareness of specific curriculum targets
- All externally examined students will have met / exceeded FFT B / ALIS targets.
- A minimum of 75% of Key Stage 3 & 4 students on track to achieve at least expected progress during year or across Key Stage as relevant
- To achieve positive value added score against ALPS expected progress measure for Post 16
- Use of effective Self Evaluation and monitoring processes to ensure consistently effective teaching and learning with at least good and outstanding teaching across the Academy

Nurture:

- Measures in place to enhance staff well-being
- Staff follow child protection and safeguarding procedures
- SEN and G&T students make at least expected progress
- Effective delivery of PSHCE curriculum
- The progress gap between vulnerable students and all other students is narrowed
- Positive and effective transition throughout school (Year 7, KS3 → KS4, In-Year, internal and external Post 16 students, Post 18)
- Achievement of Stephen Lawrence Award at Level 3 Bronze

Empower:

- Achievement of CPD mark
- Introduction of Teacher Standards and support staff Appraisal
- Planning empowers students' own understanding of their progress
- Development of leadership opportunities for both staff and students

Partnerships:

- Abbey Multi Academy Trust is able to show developments in practice that have been improved through relationships with parents and other partners, including business partners, locally, nationally and globally
- The website and learning platform are effectively used

The activities undertaken to achieve these objectives are all intended to provide the highest quality of education in the public sector for students between the ages of 11 and 18.

Abbey Multi Academy Trust (formerly Abbey Grange Church of England Academy Trust)

GOVERNORS' REPORT (continued)

Public Benefit

The Charity's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further the Charity's charitable purposes for the public benefit. The Governors have complied with the duty under Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charities Commission and the Governors have paid due regard to this guidance in deciding what activities the charity should undertake.

STRATEGIC REPORT

ACHIEVEMENTS AND PERFORMANCE

Our Christian ethos is very important to us. This is reflected in the range of our worship activities, the influence of Christian values in the programmes of study in subjects such as PHSCE and Science, and the way our race equality and inclusion policies are rooted in Christian values. As we are the only CofE school in the city, students come from literally all over the city (50+ primary schools) and from greatly contrasting socio-economic back grounds. It is therefore a truly comprehensive intake.

Numbers of Pupil Premium students have risen recently to 20% due to the changes in criteria. About a third of our post 16 students used to receive educational maintenance allowances. The ethnic diversity of our students reflects very accurately the wide range within Leeds. It has risen to over 30% in recent years. The number of students with EAL needing intensive support is small but the school has made preparations if this number increases as expected. The % of students with SEN (including statements) is consistently around 14%. New local criteria for statementing and funding has impacted on all schools in Leeds and there has been a reduction overall in statements.

The KS2 SATs indicate that a majority of students enter the school with national average scores or above. To supplement KS2 and other information received we have CAT tested students on entry since 2004. Since Abbey Grange became a founding member of the Abbey Multi Academy Trust in November 2014, the Principal is now Executive Principal, responsible for Abbey Grange as well as CEO of the multi-academy trust. She had been in post as Principal since September 2010 having been previously the Deputy Head. The Principal is co-chair of Leeds Secondary Heads. She sits on the Leeds Heads Forum. She has been the Chair of the local cluster for Extended Services and is a member of the Area Inclusion Partnership Board. She is also a member of the Strategic Boards for Leeds Learning Partnership. The former Vice Principal has moved up to become Principal – responsible for the day to day running of the academy. Members of the Senior management team and other staff have often been asked to deliver examples of good practice to other schools in the city and farther afield.

We have achieved the Healthy Schools Advanced/National award; Stephen Lawrence Award Bronze, Level 3 (the highest currently possible); Inclusion Chartermark; International School Award; Eco Schools Silver award. We take the inclusion of extra-curricular activities very seriously and have a huge diet available for all students; to this end we were the first school in Leeds to achieve the Quality in Standards of Study Support Kitemark (established status).

We have been awarded the status of a Leadership Academy. We have been recognised as one of the best Leadership Schools in the country and have been acknowledged as a school who go far beyond 'the extra mile' in offering leadership opportunities to our students. In becoming a Leadership Academy, Abbey Grange is seen as a beacon of good practice to other schools in the area. We have been commended not only for delivering Sports Leaders UK awards and qualifications with high levels of success and enthusiasm, but also that we have a very positive impact on the local community with regards to increased voluntary hours, community placements and events.

Abbey Multi Academy Trust
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GOVERNORS' REPORT (continued)

Our exam results are below:

GCSE	2013 Actual	2014 Actual
5 or more A*-C Grades	82%	82%
5 or more A*-C Grades (inc Eng & Maths)	71%	74%
5 or more A*-G Grades	99%	99%
A*- C English	82%	87%
Expected Progress (3 or more levels) in English	68%	78%
Better than Expected Progress (4 or more levels) in English	30%	30%
PP/Non-PP Gap (3LP Eng)	-33	-12
A*- C Maths	78%	78%
Expected Progress (3 or more levels) in Maths	71%	73%
Better than Expected Progress (4 or more levels) in Maths	38%	36%
PP/Non-PP Gap (3LP Maths)	-33	-9
English Baccalaureate	34%	33%

FINANCIAL REVIEW

Going concern

After making appropriate enquiries, the Governing Body has a reasonable expectation that the Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the Financial Statements. Further details regarding the adoption of the going concern basis can be found in the Statement of Accounting Policies.

Financial Report for the year

Most of the Academy's income is obtained from the Department for Education (DfE) via the Education Funding Agency (EFA) formerly the Young People's Learning Agency (YPLA), in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE/EFA during the Period 1 September 2013 to 31 August 2014 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

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

During the Year to 31 August 2014, total revenue income was £7,079,000 with total revenue expenditure of £7,211,000. The excess of expenditure over income for the period (before transfers and actuarial gains, and excluding restricted fixed asset funds) was £132,000.

All of the expenditure shown in the Statement of Financial Activities is in furtherance of the Academy's objectives.

At 31 August 2014 the net book value of fixed assets was £10,953,000 and movements in tangible fixed assets are shown in note 14 to the Financial Statements. The assets were used exclusively for providing education and the associated support services to the students of the Academy.

Abbey Multi Academy Trust

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GOVERNORS' REPORT (continued)

The provisions of Financial Reporting Standard No. 17 'Retirement Benefits' (FRS 17) have been applied in full, resulting in a deficit of £519,000 recognised on the balance sheet.

The Academy held fund balances at 31 August 2014 of £10,728,000 comprising £10,434,000 of restricted funds and £294,000 of unrestricted funds.

Financial and Risk Management Objectives and Policies

The Academy is subject to a number of risks and uncertainties in common with other Academies. The Academy has in place procedures to identify and mitigate financial risks. These are discussed further in the Risk Management section of this report, and in the Statement on Internal Control.

Principal risks and uncertainties

The principal risks and uncertainties are centred around changes in the level of funding from the DfE/EFA and the requirement to deliver a surplus budget position for 2014/15. In addition the Academy is a member of the Local Government Pension Scheme (LGPS), which results in the recognition of a significant deficit on the Academy balance sheet.

Reserves Policy

The Governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Governors have determined that the minimum level of free reserves should be £150,000 (equivalent to approximately 2.5% of total incoming resources less restricted fixed asset income). 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's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) has exceeded this minimum and show a surplus of £294,000 (see note 17).

Investment policy

The Academy invests surplus funds through term deposit accounts. Interest rates are reviewed prior to each investment. This policy maximises investment return whilst minimising risks to the principal sum.

PLANS FOR FUTURE PERIODS

We became a specialist college for the Humanities in September 2006 and have retained this focus since becoming an Academy in August 2011. Our aim as a Humanities College has been to promote excellent teaching and learning across all curriculum areas, which includes harnessing the excellent practice in our lead specialist subjects of English, History and Religious Studies. The Humanities based subjects are at the forefront of developing teaching and learning and driving whole school improvement and our lead subjects have strengthened considerably, participating in community work and maintaining excellent examination results.

Our focus as a school is a persistent drive for improvement whilst still maintaining the ethos of the school which is intrinsic to all we do. Particular focus this year is to increase the numbers achieving 3 levels of progress and extending those achieving 4+ levels of progress. This will be achieved by relentless monitoring at all levels and the development of our work with Gifted and talented students. We are currently working towards the NACE Challenge Award for excellence in A, G&T.

Abbey Multi Academy Trust
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 GOVERNORS' REPORT (continued)

Forecasts are:

GCSE	2014 Actual	2015 Forecast
5 or more A*-C Grades	82%	84%
5 or more A*-C Grades (inc Eng & Maths)	74%	79%
5 or more A*-G Grades	99%	99.5%
A* - C English	87%	90%
Expected Progress (3 or more levels) in English	78%	90%
Better than Expected Progress (4 or more levels) in English	30%	39%
PP/Non-PP Gap (3LP Eng)	-12	-13
A* - C Maths	78%	83%
Expected Progress (3 or more levels) in Maths	73%	81%
Better than Expected Progress (4 or more levels) in Maths	36%	40%
PP/Non-PP Gap (3LP Maths)	-9	-22
English Baccalaureate	33%	47%

We have a 2 year Key Stage 3 curriculum and a 3 year Key Stage 4 curriculum. In September 2014 we begin delivery of the 'International Middle Years Curriculum' as the mode of delivery for all subjects choosing 6 themes throughout the year, rather than the National Curriculum though some of the Programmes of study from the NC have been adopted by subjects where appropriate. At Key Stage 4 students study EBacc subjects, choosing either Geography or History and a choice of 2 other options.

From 1 November 2014, Abbey Grange Church of England High School became a multi academy trust and the name was changed to Abbey Multi Academy Trust. The trust was joined by St Chad's Church of England Primary also from 1 November 2014.

AUDITOR

Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

Statement as to disclosure of information to the auditor

The Trustees have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the Trustees have confirmed that they have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

The Trustees' Annual Report is approved by order of the board of trustees and the Strategic Report (included therein) is approved by the board of trustees in their capacity as the directors at a meeting on 9 December 2014 and signed on its behalf by:



Kerry Stewart
 Chair

Abbey Multi Academy Trust

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GOVERNANCE STATEMENT

Scope of responsibility

As trustees, we acknowledge we have overall responsibility for ensuring that Abbey 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 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 Abbey Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the governing body 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 6 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Governors	Governors meeting attended	Out of possible
Mrs Kerry Stewart (Chair)	6	6
The Revd David Stevens	6	6
Mrs Sandy Johnston	5	6
Mrs Laura (Mole) Chapman	2	6
Mrs Frances Baker	5	6
Mrs Liz Wilson	4	6
Mr Steve Simkins	6	6
Dr Christopher Green	5	6
Mrs Irene Heald	5	6
Dr Simon Futers	5	6
Mrs Clare Pyrah	6	6
Mrs Terri Raddings	3	6
Mrs Joanne Waterhouse	6	6
Mr David Ryder	6	6
Dr Anne Brivonese	6	6

Abbey Multi Academy Trust
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GOVERNANCE STATEMENT (continued)

The Finance Committee is a sub-committee of the main governing body. Its purpose is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the Academy's finances and resources, including proper planning, monitoring and probity.

Attendance at meetings in the period was as follows:
(Possible 3 meetings)

Governors	Governors meeting attended	Out of possible
D Kilkenny (Staff Trustee resigned 30 November 2013)	1	3
C Kitson (Executive Principal and Accounting Officer)	2	3
T Raddings	1	3
S Simkins	3	3
K Stewart	3	3
D Stevens	2	3
F Baker	3	3
D Ryder	2	3

The Audit Committee is also a sub committee of the main board of trustees. Its purpose is to maintain an oversight of Abbey Grange Academy's internal controls systems, risk management, value for money framework and governance.

Attendance at meeting the year was as follows

Governors	Governors meeting attended	Out of possible
F Baker	3	3
S Futers	3	3
S Simkins	3	3
K Stewart	3	3

The Purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Abbey Multi Academy Trust for the year to 31 August 2014 and up to the date of approval of the annual report and financial statements.

Abbey Multi Academy Trust

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GOVERNANCE STATEMENT (continued)

Capacity to Handle Risk

The governing body 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 governing body is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year to 31 August 2014 and up to the date of approval of the annual report and financial statements.

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

The governing body has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the governors have appointed Simon Futers, a Governor, as Responsible Officer ('RO'). The RO's role includes giving advice on financial matters and performing a range of checks on the academy trust's financial systems. On a termly basis, the RO reports to the Finance / Audit Committee on the operation of the systems of control and on the discharge of the governing body's financial responsibilities.

REVIEW OF EFFECTIVENESS

As accounting officer, the Principal has responsibility for reviewing the effectiveness of the system of internal control. During the period in question the review has been informed by:

- the work of the Responsible Officer;
- the work of the external auditor;
- the work of the internal auditor,
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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GOVERNANCE STATEMENT (continued)

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

Approved by order of the members of the Board of Trustees on 9 December 2014 and signed on its behalf by:

Kerry S Stewart

Kerry Stewart
Chair

Carol Kitson

Carol Kitson
Accounting Officer

9 December 2014

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)
STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

I confirm that I and the 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.

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



Carol Kitson
Accounting Officer

9 December 2014

Abbey Multi Academy Trust
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STATEMENT ON GOVERNORS' RESPONSIBILITIES

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Charitable Company will continue in business.

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

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

Approved by order of the members of the Board of Trustees on 9 December 2014 and signed on its behalf by:



Kerry Stewart
Chair

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY MULTI
ACADEMY TRUST
YEAR ENDING ON 31 AUGUST 2014

We have audited the financial statements of Abbey Multi Academy Trust for the year ended 31 August 2014 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet, the Cash Flow Statement, and related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice, and the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

This report is made solely to the charitable company'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 charitable company'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 charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of governors and auditor

As explained more fully in the Statement of Governors' Responsibilities set out on page 16, the governors (who act as trustees for the charitable activities of the charitable company, and are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2014 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;
- have been prepared in accordance with the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2013 to 2014 issued by the Education Funding Agency.

Opinion on other requirement of the Companies Act 2006

In our opinion the information given in the Governors' Report and the incorporated Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ABBEY MULTI
ACADEMY TRUST
YEAR ENDING ON 31 AUGUST 2014

Matters on which we are required to report by exception

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

- the charity has not kept adequate accounting records, 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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Alan Dunwell (Senior Statutory Auditor)
For and on behalf of BAKER TILLY UK AUDIT LLP
2 Whitehall Quay
Leeds
LS1 4HG

Date 17.12.14

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND
EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS
AND LOSSES)
for the year ended 31 August 2014

	<i>Notes</i>	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total 2014 £'000	Total 2013 £'000
INCOMING RESOURCES						
Incoming resources from generated funds:						
Voluntary income	3	46	-	25	71	561
Activities for generating funds	4	477	42	-	519	564
Investment income	5	1	-	-	1	1
Incoming resources from charitable activities:						
Academy Trust's educational operations	6	-	6,417	-	6,417	6,106
Other income		71	-	-	71	-
Total incoming resources		595	6,459	25	7,079	7,232
RESOURCES EXPENDED						
Cost of generating funds:						
Cost of activities for generating funds		334	-	-	334	325
Charitable activities:						
Academy Trust's educational operations	8	23	6,369	446	6,838	6,776
Governance costs	9	-	39	-	39	26
Total resources expended	7	357	6,408	446	7,211	7,127
NET INCOMING/(OUTGOING) RESOURCES BEFORE TRANSFERS		238	51	(421)	(132)	105
TRANSFERS						
Gross transfers between funds	17	(24)	(50)	74	-	-
NET INCOMING/(OUTGOING) RESOURCES BEFORE OTHER RECOGNISED GAINS AND LOSSES		214	1	(347)	(132)	105
OTHER RECOGNISED GAINS AND LOSSES						
Actuarial (losses)/gains on defined benefit pension scheme	26	-	135	-	135	65
NET MOVEMENT IN FUNDS		214	136	(347)	(3)	170
RECONCILIATION OF FUNDS						
Total funds brought forward	17	80	(655)	11,300	10,725	10,555
TOTAL FUNDS CARRIED FORWARD		294	(519)	10,953	10,728	10,725

All of the Academy activities derive from continuing operations during the above two financial periods.

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)

BALANCE SHEET

For the year ended 31 August 2014

Company Registration No: 07705552

	Notes	2014 £'000	2014 £'000	2013 £'000	2013 £'000
FIXED ASSETS					
Tangible assets	14		10,953		11,300
CURRENT ASSETS					
Debtors	15	331		138	
Cash at bank and in hand		262		180	
Total as current assets		<u>593</u>		<u>318</u>	
CREDITORS: Amounts falling due within one year	16	(299)		(238)	
NET CURRENT ASSETS			<u>294</u>		<u>80</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>11,247</u>		<u>11,380</u>
NET ASSETS EXCLUDING PENSION LIABILITY	26				
Pension scheme liability			(519)		(655)
NET ASSETS INCLUDING PENSION LIABILITY			<u>10,728</u>		<u>10,725</u>
FUNDS OF THE ACADEMY					
RESTRICTED FUNDS					
Fixed asset funds	17		10,953		11,300
General funds	17		-		-
Pension reserve	17		(519)		(655)
TOTAL RESTRICTED FUNDS			<u>10,434</u>		<u>10,645</u>
UNRESTRICTED FUNDS					
General fund	17		294		80
TOTAL UNRESTRICTED FUNDS			<u>294</u>		<u>80</u>
TOTAL FUNDS			<u>10,728</u>		<u>10,725</u>

The financial statements on pages 19 to 44 were approved by the Governors and authorised for issue on 9 December 2014 and are signed on their behalf by:

Kerry Stewart

Kerry Stewart
Chair

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)

CASH FLOW STATEMENT

For the year ended 31 August 2014

Company Registration No: 07705552

	<i>Notes</i>	2014 £'000	2013 £'000
NET CASH FLOW FROM OPERATING ACTIVITIES	20	155	(2)
Returns on investments and servicing of finance	21	1	1
Capital expenditure	22	(74)	(219)
		<hr/>	<hr/>
INCREASE/(DECREASE) IN CASH IN THE YEAR		82	(220)
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS		<hr/> <hr/>	<hr/> <hr/>
NET FUNDS AT 1 SEPTEMBER		180	400
		<hr/>	<hr/>
NET FUNDS AT 31 AUGUST		262	180
		<hr/> <hr/>	<hr/> <hr/>

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)
NOTES TO THE FINANCIAL STATEMENTS
for the year ended 31 August 2014

1. ACCOUNTING POLICIES

Basis of Preparation

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

Going Concern

After making appropriate enquiries, the governors have a reasonable expectation that Abbey Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future. For this reason, it continues to adopt the going concern basis in preparing the financial statements.

Incoming resources

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

Grants receivable

Grant income is 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.

The general annual grant ('the GAG') from the DfE, which is intended to meet recurrent costs, is recognised on a receivable basis and is credited directly to the Statement of Financial Activities, incoming resources from charitable activities, to the extent of the entitlement of the funds, any abatement in respect of the period is deducted from income and is recognised as a liability.

Capital grants are recognised as voluntary income on a receivable basis to the extent there is entitlement.

Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. 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.

Sponsorship income

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

Donations

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

Other income

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

Abbey Multi Academy Trust (formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

1. ACCOUNTING POLICIES (continued)

Donated services and gifts in kind

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

Interest receivable

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

Resources expended

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

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

Charitable activities are costs incurred on the Academy Trust's educational operations.

Governance costs include the costs attributable to the Academy Trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

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 General funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education Funding Agency/Department for Education.

Restricted Fixed Assets Funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency and other funders, where the asset acquired or created is held for a specific purpose on a continuing basis.

Tangible fixed assets

Tangible fixed assets costing £1,000 or more are capitalised at cost and are carried at cost net of depreciation and any provision for impairment.

Abbey Multi Academy Trust

(formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets (continued)

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 the related grants require the asset to be held for a specific purpose and continued use they are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet, with this amount being reduced over the useful economic life of the related asset by charging depreciation of the relevant asset directly against the restricted fixed asset fund.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset over its expected useful lives, as follows:

Freehold buildings	1.67% to 40% straight line basis
Furniture and equipment	20% straight line basis
Computer equipment	25% straight line basis
Motor Vehicles	20% straight line basis
Long leasehold land and buildings	1.67% to 40% straight line basis

For assets that have a useful economic life of more than 50 years, an impairment review will be carried out on an annual basis on these assets. For assets with a useful economic life of less than 50 years, a review for impairment 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.

Taxation

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 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 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.

Leased assets

Rentals under operating leases are charged on a straight-line basis over the lease term.

Pensions benefits

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS') (until April 2016), and the assets are held separately from those of the Academy Trust.

Abbey Multi Academy Trust (formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

1. ACCOUNTING POLICIES (continued)

Pension benefits (continued)

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 benefit method. As stated in Note 26, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

Agency arrangements

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the EFA. Related payments received from the EFA and subsequent disbursements to students are excluded from the statement of financial activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in statement of financial activities. Where funds have not been fully applied in the year then an amount will be included as amounts due to the EFA.

Abbey Multi Academy Trust (formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

2 GENERAL ANNUAL GRANT (GAG)

Under the funding agreement with the Secretary of State the Academy Trust was subject to limits at 31 August 2014 on the amount of GAG that could be carried forward from one year to the next. An amount equal to 12% of GAG could be carried forward, of which up to 2% could be used for general recurrent purposes, with any balance being available for premises/capital purposes.

The academy trust has not exceeded these limits during the year ended 31 August 2014.

3 VOLUNTARY INCOME

	Unrestricted Funds	Restricted Funds	Restricted Fixed Asset Funds	Total 2014	Total 2013
	£	£	£	£	£
EFA capital maintenance grant	-	-	-	-	521
EFA Devolved Formula capital	-	-	25	25	-
Other donations	46	-	-	46	40
	<u>46</u>	<u>-</u>	<u>25</u>	<u>71</u>	<u>561</u>

4 ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds £'000	Restricted funds £'000	2014 Total £'000	2013 Total £'000
Catering income	249	-	249	225
School trips	143	-	143	163
Supply teacher insurance	35	-	35	43
Other income	50	42	92	133
	<u>477</u>	<u>42</u>	<u>519</u>	<u>564</u>

5 INVESTMENT INCOME

	Unrestricted funds £'000	Restricted funds £'000	2014 Total £'000	2013 Total £'000
Short term deposits	1	-	1	1
	<u>1</u>	<u>-</u>	<u>1</u>	<u>1</u>

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

6 FUNDING FOR ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
DfE/EFA REVENUE GRANT				
General Annual Grant (GAG) (note 2)	-	6,018	6,018	5,849
Other DfE/EFA grants	-	247	247	152
	-	6,265	6,265	6,001
OTHER GOVERNMENT GRANTS				
SEN from Local Authority	-	56	56	86
Other Local Authority grants	-	13	13	5
Other grants	-	83	83	14
	-	152	152	105
TOTAL	-	6,417	6,417	6,106

Abbey Multi Academy Trust
 (formerly Abbey Grange Church of England Academy Trust)
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 for the year ended 31 August 2014

7	RESOURCES EXPENDED	Non pay expenditure		Total	Total
		Staff costs £'000	Premises £'000	Other costs £'000	2014 £'000
	Costs of activities for generating funds	-	-	334	325
	Academy Trusts's educational operations				
	- Direct costs	4,402	363	494	5,259
	- Allocated support costs	719	475	385	1,579
		5,121	838	879	6,838
	Governance costs including allocated support costs	-	-	39	26
		5,121	838	1,252	7,211
	Net incoming/(outgoing) resources for the year			2014 £'000	2013 £'000
	Operating leases – plant and machinery			27	38
	Fees payable to auditor:				
	- audit			8	7
	- other services			6	2

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

8 CHARITABLE ACTIVITIES – ACADEMY EDUCATIONAL OPERATIONS

	Unrestricted Funds	Restricted Funds	Restricted Fixed Asset Funds	Total 2014	Total 2013
	£	£	£	£	£
DIRECT COSTS					
Teaching and educational support staff costs	-	4,402	-	4,402	4,390
Depreciation	-	-	368	368	348
Educational supplies	-	246	-	246	260
Examination fees	-	118	-	118	122
Staff development	-	29	-	29	29
Other direct costs	23	73	-	96	179
	<u>23</u>	<u>4,868</u>	<u>368</u>	<u>5,259</u>	<u>5,328</u>
ALLOCATED SUPPORT COSTS					
Support staff costs	-	719	-	719	526
FRS 17 service costs	-	13	-	13	169
FRS 17 finance (income)	-	(14)	-	(14)	(4)
Depreciation	-	-	78	78	75
Recruitment and support	-	45	-	45	58
Maintenance of premises and equipment	-	123	-	123	120
Cleaning	-	15	-	15	9
Rent and rates	-	43	-	43	46
Insurance	-	97	-	97	96
Light and heat	-	114	-	114	115
Catering	-	18	-	18	1
Security and transport	-	39	-	39	27
Other support costs	-	289	-	289	198
	<u>-</u>	<u>1,501</u>	<u>78</u>	<u>1,579</u>	<u>1,448</u>
	<u>23</u>	<u>6,369</u>	<u>446</u>	<u>6,838</u>	<u>6,776</u>

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)

for the year ended 31 August 2014

9 GOVERNANCE COSTS	Unrestricted funds £'000	Restricted funds £'000	Total 2014 £'000	Total 2013 £'000
Legal and professional fees	-	10	10	8
Auditors remuneration				
-Audit of financial statements	-	8	8	7
-Other services	-	6	6	2
Support costs	-	15	15	9
	-	39	39	26

10 STAFF NUMBERS AND COSTS

Staff costs

	2014 £'000	2013 £'000
Staff costs during the year were:		
Wages and salaries	4,195	4,105
Social security costs	303	310
Other pension costs	525	588
	5,023	5,003
Supply teacher costs	59	86
Redundancy & compensation payments	39	-
	5,121	5,089

Staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £39,000 (2013 - £nil). Two of the non-statutory/non-contractual payments exceeded £5,000 individually, and these were for £27,000 and £8,000.

Staff numbers

The average number of persons (including senior management team) employed by the Academy during the year expressed as full time equivalents was as follows:

Educational Operations	2014 No	2013 No
Teachers	72	71
Administration and support	65	64
Management	6	7
	143	142

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

11 STAFF NUMBERS AND COSTS (continued)

Higher paid staff

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

	2014 No	2013 No
£60,001 - £70,000	1	1
£80,001 - £90,000	-	1
£90,001 - £100,000	1	-

The above employees participated in the Teachers' Pension Scheme. During the year ended 31 August 2014, pension contributions for these employees amounted to £17,087 (2013: £22,011).

12 TRUSTEES' REMUNERATION AND EXPENSES

Principal and staff trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment and not in respect of their services as trustees. Other trustees did not receive any payments from the Academy Trust in respect of their role as trustees.

C Kitson, the Principal, received remuneration of £91,898 in 2014 (2013: £88,504) and is accruing retirement benefits under the Teachers' Pension Scheme. The contributions paid in the year amounted to £9,687 (2013: £12,479).

D Kilkenny, staff governor and trustee, received remuneration of £46,179 in 2014 (2013: £42,947) and is accruing retirement benefits under the Teachers' Pension Scheme. The contributions paid in the year amounted to £5,187 (2013: £6,453).

D Ryder, staff governor and trustee, received remuneration of £35,511 in 2014 (2013: £34,684) and is accruing retirement benefits under the Local Government Pension Scheme. The contributions paid in the year amounted to £3,012 (2013: £4,487).

A Brivonese, staff governor, received remuneration of £20,721 in 2014 (2013: £42,919) and is accruing retirement benefits under the Teachers' Pension Scheme. The contributions paid in the year amounted to £2,215 (2013: £6,051).

During the year ended 31 August 2014, travel and subsistence expenses totalling £nil (2013: £nil) were reimbursed to governors.

13 TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £5,000,000 on any claim and the cost for the year ended 31 August 2014 was £1,100 (2013: £991).

The cost of this insurance is included in the total insurance cost.

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 for the year ended 31 August 2014

14 TANGIBLE FIXED ASSETS	<i>Freehold property and improvements</i> £'000	<i>Long leasehold land and buildings</i> £'000	<i>Furniture and equipment</i> £'000	<i>Computer equipment</i> £'000	<i>Motor vehicles</i> £'000	<i>Total</i> £'000
Cost:						
1 September 2013	4,903	6,831	134	227	30	12,125
Additions	39	-	14	46	-	99
31 August 2014	<u>4,942</u>	<u>6,831</u>	<u>148</u>	<u>273</u>	<u>30</u>	<u>12,224</u>
Depreciation						
1 September 2013	406	297	34	81	7	825
Charge for the year	160	186	29	65	6	446
Disposals	-	-	-	-	-	-
31 August 2014	<u>566</u>	<u>483</u>	<u>63</u>	<u>146</u>	<u>13</u>	<u>1,271</u>
Net book value						
31 August 2014	4,376	6,348	85	127	17	10,953
31 August 2013	<u>4,497</u>	<u>6,534</u>	<u>100</u>	<u>146</u>	<u>23</u>	<u>11,300</u>

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

14 TANGIBLE FIXED ASSETS (*continued*)

Long leasehold land and buildings represent land owned by the Church of England and held on Trust by the Ripon and Leeds Diocesan Board of Finance. The land and buildings have been made available to the Academy Trust under a supplemental agreement between the Ripon and Leeds Diocesan Board of Finance and the Academy Trust for as long as the Academy Trust conforms to the terms of the Trust deed.

The gross book value of freehold and long leasehold land and buildings includes land with a value of £2,310,000, which is not depreciated.

15 DEBTORS	2014 £'000	2013 £'000
Prepayments and accrual income	238	109
VAT recoverable	93	29
	<u>331</u>	<u>138</u>

16 CREDITORS: Amounts falling due within one year	2014 £'000	2013 £'000
Trade creditors	86	38
Other creditors	-	11
Accruals and deferred income	206	189
EFA creditor	7	-
	<u>299</u>	<u>238</u>

DEFERRED INCOME

Deferred income at 1 September 2013	76
Resources deferred in the year	146
Amounts released from previous years	(76)
	<u>146</u>
Deferred income at 31 August 2014	<u>146</u>

Of the year end deferred income balance £130,000 (2013: £53,000) relates to funds received in relation to future academy trips, £6,000 (2013: £15,000) relates to grants received for future periods, £9,000 (2013: £8,000) relates to income received on account for school meals and £1,000 relates to other deferred income.

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

17 FUNDS

	<i>At</i> <i>1 September</i> <i>2013</i> £'000	<i>Incoming</i> <i>resources</i> £'000	<i>Resources</i> <i>expended</i> £'000	<i>Gains, losses</i> <i>and transfers</i> £'000	<i>At 31 August</i> <i>2014</i> £'000
RESTRICTED					
GENERAL FUNDS					
General Annual Grant (GAG)	-	6,018	(5,968)	(50)	-
Other DfE/EFA grants	-	247	(247)	-	-
LEA and other grants	-	152	(152)	-	-
Other restricted	-	42	(42)	-	-
	<u>-</u>	<u>6,459</u>	<u>(6,409)</u>	<u>(50)</u>	<u>-</u>
PENSION RESERVE	(655)	-	1	135	(519)
	<u>(655)</u>	<u>6,459</u>	<u>(6,408)</u>	<u>85</u>	<u>(519)</u>
RESTRICTED FIXED					
ASSET FUNDS					
DfE/EFA capital grants	940	25	(76)	-	889
Assets donated on conversion	10,127	-	(310)	-	9,817
Capital expenditure from GAG	233	-	(60)	74	247
	<u>11,300</u>	<u>25</u>	<u>(446)</u>	<u>74</u>	<u>10,953</u>
TOTAL RESTRICTED FUNDS	<u>10,645</u>	<u>6,484</u>	<u>(6,854)</u>	<u>159</u>	<u>10,434</u>
UNRESTRICTED FUNDS					
General funds	80	595	(357)	(24)	294
TOTAL UNRESTRICTED FUNDS	<u>80</u>	<u>595</u>	<u>(357)</u>	<u>(24)</u>	<u>294</u>
TOTAL FUNDS	<u>10,725</u>	<u>7,079</u>	<u>(7,211)</u>	<u>135</u>	<u>10,728</u>

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

17 FUNDS (continued)

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

Restricted general fund

This fund represents grants received for the Academy's operational activities and development.

The General Annual Grant (GAG) must be used for the normal running costs of the Academy. The Academy is allowed to carry forward up to 12% of the current GAG. Of the carried forward amount, up to 2% of GAG can be used for general purposes at the discretion of the Academy, but any balances over 2% must be used for capital purposes.

The Start Up Grant is provided to allow the Academy to purchase a basic stock of teaching and learning materials and other consumable materials and to meet the costs associated with the recruitment and induction of additional teaching staff during the Academy's start up period.

Restricted fixed asset fund

The restricted fixed asset fund consists of Devolved Capital Grants from the EFA and amounts used for capital purchases from GAG.

18 ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total funds £'000
Tangible fixed assets	-	-	10,953	10,953
Current assets	294	299	-	593
Current liabilities	-	(299)	-	(299)
Pension scheme liability	-	(519)	-	(519)
TOTAL NET ASSETS AT 31 AUGUST 2014	294	(519)	10,953	10,728

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

19 FINANCIAL COMMITMENTS

At 31 August 2014 the Academy Trust had annual commitments under non-cancellable operating leases as follows:

	2014 £'000	2013 £'000
OPERATING LEASES		
<u>Other</u>		
Expiring within one year	2	7
Expiring within two and five years inclusive	66	19
	68	26

20 RECONCILIATION OF CONSOLIDATED OPERATING SURPLUS/(DEFICIT) TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	2014 £'000	2013 £'000
(Deficit)/surplus on continuing operations after depreciation of assets	(132)	105
Depreciation	446	423
Capital grants from DfE and other capital income	(25)	(561)
Interest receivable	(1)	(1)
FRS 17 pension cost less contributions payable	13	45
FRS 17 pension finance income	(14)	(4)
(Increase)/decrease in debtors	(193)	54
Increase/(decrease) in creditors	61	(63)
	155	(2)

21 RETURNS ON INVESTMENTS AND SERVICING OF FINANCE

	2014 £'000	2013 £'000
Interest received	1	1
	1	1

NET CASH INFLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE

22 CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2014 £'000	2013 £'000
Purchase of tangible fixed assets	(99)	(1,008)
Capital funding received from sponsors and others	25	789
	(74)	(219)

NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

23 ANALYSIS OF CHANGES IN NET FUNDS	At		At
	1 September 2013 £'000	Cash flows £'000	31 August 2014 £'000
Cash in hand and at bank	180	82	262
	<u>180</u>	<u>82</u>	<u>262</u>

24 CONTINGENT LIABILITIES

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

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

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

25 MEMBERS LIABILITIES

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.

26 PENSION AND SIMILAR OBLIGATIONS

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

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

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

Abbey Multi Academy Trust (formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

26 PENSION AND SIMILAR OBLIGATIONS (Continued)

Teachers' Pension Scheme

The Teachers' Pensions Scheme ("TPS") is a statutory, contributory, defined benefit scheme. The regulations under which the TPS operates are the Teachers' Pensions Regulations 2010. Retirement and other pension benefits, including annual increases payable under the Pensions (Increase) Acts are, as provided for in the Superannuation Act 1972, paid out of monies provided by Parliament. Under the unfunded TPS, teachers' contributions on a 'pay as-you-go' basis, and employers' contributions, are credited to the Exchequer under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pensions Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001 to 31 March 2011, the Account has been credited with a real rate of return (in excess of price increases and currently set at 3.5%), which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pensions Scheme

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. 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. Many of these were being discussed in the context of the design for a reformed TPS, and as set out in the Proposed Final Agreement, scheme valuations had been suspended since the last valuation in 2004.

The contribution rate paid into the TPS is assessed in two parts. First, a standard contribution rate ("SCR") is determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial investigation, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

Valuations of the TPS are now required under the Public Service Pensions Act 2013 every 4 years and are required to be carried out in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014 published by HM Treasury.

An actuarial valuation of the TPS in accordance with these Directions was published in June 2014 assessing the TPS as at 31 March 2012. The GA's report revealed that the total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £191,500 million. The value of the notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £176,600 million. 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%.

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

26 PENSION AND SIMILAR OBLIGATIONS (*Continued*)

Employer and employee contribution rates

As from 1 January 2007, and as part of the cost-sharing agreement between employers' and teachers' representatives, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable. The cost-sharing agreement also introduced – effective for the first time for the 2008 valuation – a 14% cap on employer contributions payable.

From 1 April 2013 to 31 March 2014, the employee contribution rate ranged between 6.4% and 11.2%, depending on a member's Full Time Equivalent salary and for 2014/15 will range between 6.4% and 12.4%. Thereafter members will be expected to pay an average contribution rate of 9.6%.

The TPS valuation for 2012 determined an employer rate of 16.4% from September 2015 and an employee cost cap of 10.9%, both to be set in regulations. The employer contribution rate will be payable during the implementation period until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

There will be further reforms and changes to the TPS with a new 2015 scheme.

The pension costs paid to TPS in the year amounted to £325,831.

Under the definitions set out in Financial Standards (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme.

Accordingly, the Academy Trust has taken the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The Academy Trust has set out above the information available on the scheme and the implications for the Academy Trust in terms of the anticipated rates.

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2014 was £174,000 of which employer's contributions totalled £131,000 and employees' contributions totalled £43,000. The agreed rates for future years are 12.8 per cent for employers and 5.5 – 12.5 per cent for employees.

Abbey Multi Academy Trust
 (formerly Abbey Grange Church of England Academy Trust)
 NOTES TO THE FINANCIAL STATEMENTS (continued)
 for the year ended 31 August 2014

26 PENSION AND SIMILAR OBLIGATIONS (Continued)

Principal actuarial assumptions

	2014	2013
	£'000	£'000
	%	%
Rate of increase in salaries	3.60	4.60
Rate of increase for pensions in payment/inflation	2.10	2.70
Discount rate for scheme liabilities	3.70	4.40
Inflation assumption (CPI)	2.10	2.70
Inflation assumption (RPI)	3.10	3.60

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

	2014	2013
	£'000	£'000
	%	%
<i>Retiring today</i>		
Males	22.5	22.1
Females	25.4	24.3
<i>Retiring in 20 years</i>		
Males	24.7	23.9
Females	27.7	26.2

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)
NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

26 PENSION AND SIMILAR OBLIGATIONS (Continued)

Local Government Pension Scheme (continued)

The academy's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	7.5	1,432	7.90	1,301
Property	6.8	63	7.40	53
Government bonds	2.9	196	3.40	203
Corporate bonds	3.3	99	4.10	102
Cash	1.1	75	0.90	68
Other	7.5	42	7.90	55
TOTAL MARKET VALUE OF ASSETS		1,907		1,782
Present value of scheme liabilities - Funded		(2,426)		(2,437)
DEFICIT IN THE SCHEME		(519)		(655)

Abbey Multi Academy Trust employs a building block approach in determining the rate of return on Fund assets. Historical markets are studied and assets with higher volatility are assumed to generate higher returns consistent with widely accepted capital market principals. The assumed rate of return on each asset class is set out within this note. The overall expected rate of return on assets is then derived from aggregating the expected return for each asset class over the actual asset allocation for the Fund at the accounting date.

The actual return on the scheme assets was £59,000 (2013 - £202,000).

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

26 PENSION AND SIMILAR OBLIGATIONS (Continued)

Local Government Pension Scheme (continued)

Total expenditure recognised in the Statement of Financial Activities

	2014 £'000	2013 £'000
Current service cost (net of employee)	144	150
Past service cost	-	19
	<hr/>	<hr/>
Total operating charge	144	169
	<hr/> <hr/>	<hr/> <hr/>

ANALYSIS OF PENSION FINANCE INCOME

Expected return on pension scheme assets	123	94
Interest on pension liabilities	(109)	(90)
	<hr/>	<hr/>

Pension finance income	14	4
	<hr/> <hr/>	<hr/> <hr/>

TOTAL EXPENDITURE RECOGNISED IN THE STATEMENT OF FINANCIAL ACTIVITIES

	130	165
	<hr/> <hr/>	<hr/> <hr/>

MOVEMENTS IN THE PRESENT VALUE OF DEFINED BENEFIT OBLIGATIONS WERE AS FOLLOWS

	2014 £'000	2013 £'000
At 1 September	2,437	2,110
Current service cost	144	150
Interest cost	109	90
Employee contributions	43	38
Actuarial (gain)/loss	(199)	43
Benefits paid	(108)	(13)
Past service cost	-	19
	<hr/>	<hr/>
At 31 August	2,426	2,437
	<hr/> <hr/>	<hr/> <hr/>

Abbey Multi Academy Trust
(formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

26 PENSION AND SIMILAR OBLIGATIONS (Continued)

MOVEMENTS IN THE FAIR VALUE OF TRUST'S SHARE OF SCHEME ASSETS:	2014 £'000	2013 £'000
At 1 September	1,782	1,431
Expected return on assets	123	94
Actuarial gain/(loss)	(64)	108
Employer contributions	131	124
Employee contributions	43	38
Benefits paid	(108)	(13)
	<u>1,907</u>	<u>1,782</u>
At 31 August	1,907	1,782

The estimated value of employer contributions for the year ended 31 August 2015 is £111,000.

The history of experience adjustments is as follows:

	31 August 2014 £'000	31 August 2013 £'000	31 August 2012 £'000
Defined benefit obligations at end of year	(2,426)	(2,437)	(2,110)
Fair value of plan assets at end of year	1,907	1,782	1,431
Deficit in the scheme	<u>(519)</u>	<u>(655)</u>	<u>(679)</u>
EXPERIENCE ADJUSTMENTS ON SHARE OF SCHEME ASSETS:			
Amount £'000	<u>(64)</u>	<u>108</u>	<u>10</u>
EXPERIENCE ADJUSTMENTS ON SCHEME LIABILITIES:			
Amount £'000	<u>88</u>	<u>-</u>	<u>-</u>

Abbey Multi Academy Trust (formerly Abbey Grange Church of England Academy Trust)

NOTES TO THE FINANCIAL STATEMENTS (continued)
for the year ended 31 August 2014

27 RELATED PARTIES

Owing to the nature of the Academy's operations and the composition of the board of trustees being drawn from local public and private sector organisations, 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 Trust's financial regulations and normal procurement procedures. The following related party transaction took place in the period of account:

Mr D Ryder was appointed as a staff trustee and director of Abbey Multi Academy Trust Ltd on 1 October 2013. During the year to 31 August 2014, related party transactions took place involving the supply of services from Clearvue, an entity owned and managed by Mr K Ryder (father) and Mr P Ryder (brother).

The total value of works equated to £17,964 and there were no amounts outstanding at 31 August 2014.

The standard procurement processes of the trust were followed for these transactions.

These transactions were carried out inadvertently on a 'for profit' basis, however, Mr D Ryder had no direct involvement in the procurement decisions. The buying decisions were agreed by the Governors and as Mr D Ryder remains as a trustee, the decision has been made to cease the use of Clearvue services and this was implemented immediately.

28 AGENCY ARRANGEMENTS

The Academy Trust administers the disbursement of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the EFA. In the year it received £21,592 and disbursed £14,027, with therefore an amount of £7,565 repayable by the Academy Trust at 31 August 2014 included in creditors.

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO ABBEY MULTI ACADEMY TRUST (FORMERLY THE ABBEY GRANGE CHURCH OF ENGLAND ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY)

In accordance with the terms of our engagement letter dated 22 September 2014 and further to the requirements of the Education Funding Agency ('EFA') as included in the Academies Accounts Direction 2013 to 2014, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Abbey Multi Academy Trust during the period 1 September 2013 to 31 August 2014 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 Abbey Multi Academy Trust and the EFA in accordance with the terms of our engagement letter dated 22 September 2014. Our work has been undertaken so that we might state to the Abbey Multi Academy Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Abbey Multi Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Abbey Multi Academy Trust accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Abbey Multi Academy Trust funding agreement with the Secretary of State for Education dated 13 June 2007 and the Academies Financial Handbook extant from 1 September 2013, 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 2013 to 2014. 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 period 1 September 2013 to 31 August 2014 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 2013 to 2014 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

The objective of a limited assurance engagement is to perform such procedures as to obtain information and explanations in order to provide us with sufficient appropriate evidence to express a negative conclusion on regularity. A limited assurance engagement is more limited in scope than a reasonable assurance engagement and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we do not express a positive opinion.

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

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY
TO ABBEY MULTI ACADEMY TRUST (FORMERLY THE ABBEY GRANGE CHURCH OF
ENGLAND ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY) (continued)**

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 1 September 2013 to 31 August 2014 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Baker Tilly UK Audit LLP

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Date *17.12.14*

