

Perry Hall Multi Academy Trust

Trustees' Report and Financial Statements

For the Year Ended 31 August 2019



Perry Hall Multi Academy Trust
(A Company Limited by Guarantee)

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Perry Hall Multi Academy Trust
(A Company Limited by Guarantee)

Reference and Administrative Details

Members	A Brocklehurst L McCarthy K Kent J Purawal T Westwood
Trustees	A Brocklehurst, Chair of Trustees A K Cheema, Chief Executive Officer and Accounting Officer M Edwards, Vice Chair L McCarthy D Tarbuck S Gill (resigned 9 October 2018) P Hinkley E Woodhouse E Bianchi-Barry A Gibson (appointed 26 November 2018)
Company registered number	08566185
Company name	Perry Hall Multi-Academy Trust
Principal and registered office	Colman Avenue Wednesfield Wolverhampton West Midlands WV11 3RT
Company secretary	J Parkes
Chief Executive Officer	A K Cheema (OBE)

Reference and Administrative Details (continued)
For the Year Ended 31 August 2019

**Senior management
team**

A K Cheema, Chief Executive Officer
R Kohli, Executive Head Teacher
T Hinkley, Head Teacher
D Asbury, Executive Head Teacher
S Barnes, Head Teacher
E Pritchett, Head of School
L Fellows, Head of School
A Smith, Deputy Head Teacher
M Dodd, Assistant Head Teacher
S Powell, Deputy Head Teacher
C Gibbins, Deputy Head Teacher
R Chander, Assistant Head Teacher
J Davies, Deputy Head Teacher
J Parkes, Strategic Head of Finance and Business Administration
M Webb, Facilities and Estates Manager
K Titley, Deputy Head Teacher
A Potter, Head Teacher
S Murphy, Deputy Head Teacher
R Miller, Assistant Head Teacher

Independent auditors

Dains LLP
15 Colmore Row
Birmingham
B3 2BH

Perry Hall Multi Academy Trust
(A Company Limited by Guarantee)

Trustees' Report
For the Year Ended 31 August 2019

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year 1 September 2018 to 31 August 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law.

As Trustees, we are delighted that 2018/19 has been another successful year for Perry Hall Multi Academy Trust.

The organisation has continued to grow in size as planned and evolve driven by a team of hard-working and dedicated individuals who all strive for the best outcomes for the children within our schools.

When growing the Trust, we always refer back to our core values and vision and what we want to achieve as being part of a like-minded family - collaboration is key to this.

Our six schools are all different, but in recognition of this we have grown the Trust whilst supporting and embracing the personalities of each.

Focal to this continued drive, we are incredibly proud that during the year, our Chief Executive Officer has been awarded an OBE in the Queen's Birthday Honours List for her services to education in the West Midlands. This is a wonderful achievement for Amarjit Cheema personally as well as for the Trust

Structure, governance and management

a. Constitution

The Academy Trust is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the Academy Trust.

The Trustees of Perry Hall Multi Academy Trust are also the directors of the charitable company for the purposes of company law.

The charitable company operates as Perry Hall Multi Academy Trust.

Details of the Trustees who served during the year, and to the date these accounts are approved are included in the Reference and administrative details on page 1.

b. 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.

Structure, governance and management (continued)

c. Method of recruitment and appointment or election of Trustees

The management of the Academy Trust is the responsibility of the Trustees who are elected and co-opted under the terms of the Memorandum of Association.

On 12 June 2013 the Perry Hall Primary School Governing Body appointed 3 Members for the newly formed Academy. Subsequent changes have occurred to the members. The Members then appointed a number of Trustee Governors.

In accordance with the Articles of Association, the Academy's Governing Body comprises the following:

- Up to 5 Governors appointed by the Members
- Up to 3 Governors appointed in accordance with any policy decided by the Governors
- A minimum of 2 Parent Governors
- The Chief Executive Officer

The term of office for any Governor shall be four years, save that this time limit shall not apply to the Chief Executive Officer. Subject to remaining eligible to be a particular type of Governor, any Governor may be re-appointed or re-elected.

When appointing new Governors the Board will give consideration to the skills and experience mix of existing Governors in order to ensure that the Board has the necessary skills to contribute fully to the Academy's development.

d. Policies and procedures adopted for the induction and training of Trustees

The Board of Trustees has devised an informal induction process to ensure that all Trustees understand their roles and responsibilities. The training and induction provided for new Trustees will depend on their experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees have access to policies, procedures, minutes, budgets and other documents they will need to undertake their role as Trustees. All Trustees are subject to DBS checks.

e. Organisational structure

The Board of Trustees of the Multi-Academy Trust establishes an overall framework for the governance of the Academy and is responsible for setting general policy, adopting an annual plan and budget, monitoring the company by the use of budgets, making major decisions about the strategic directions of the company, and senior staff appointments. The Trustees are responsible for the monitoring and performance of the Chief Executive Officer on a regular basis.

The Local Governing Bodies of each of the schools are responsible for implementing the policies laid down by the Trustees and reporting back to them. The Local Governing Bodies are a mix of parents, staff and co-opted governors.

The Chief Executive Officer is the Accounting Officer.

Structure, governance and management (continued)

f. Arrangements for setting pay and remuneration of key management personnel

The Trust pay policy has been agreed by the Pay Committees of each local governing body following consultation with staff and recognised trade unions, then subsequently ratified by Trustees. The Trust recognises that all pay progression decisions for teaching staff including those in leadership positions must be linked to annual appraisal of performance and the procedures set out in the Pay policy ensures that this is achieved in a fair and transparent way. The Trustees also recognise the importance of support staff performance appraisal – again including those in key management roles – and performance related pay is being reviewed for these staff members.

g. Trade union facility time

Relevant union officials

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

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time	£	
Total cost of facility time	-	
Total pay bill	-	
Percentage of total pay bill spent on facility time	-	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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Objectives and activities

a. Objects and aims

The principal object and activity of the charitable company is the operation of Perry Hall Multi-Academy Trust to provide education for pupils aged 3-11, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing the schools offering a balanced curriculum, and to promote for the benefit of the individuals living in Wolverhampton and the surrounding area who have need by reason of their age, infirmity or disability, financial hardship or social and economic circumstances or for the public at large the provision of facilities for recreation or other leisure time activities in the interest of social welfare and with the object of improving the condition of life of the said individuals.

Objectives and activities (continued)

b. Objectives, strategies and activities

The priorities per the School Improvement Plans are;

- **Leadership**
To continue the development of leadership at all levels across the Trust impacting on outcomes for pupils
To ensure subject leaders support and hold staff to account for developing their curriculum areas and raising attainment
To ensure all governors have a strong knowledge of the academies, their strengths and areas of development hence being able to fulfil their strategic roles
- **Quality of Teaching, Learning & Assessment**
To ensure all teaching across the Trust is 100% good and at least 60% outstanding
To ensure that the provision of Early Years is outstanding across the Trust
To develop opportunities for pupils to transfer key skills learnt across the curriculum
- **Personal Development, Behaviour & Welfare**
To ensure that all practice is inclusive and the provision is outstanding across the Trust
To ensure safeguarding is effective and policies and procedures continue to be outstanding
To ensure attendance is above national expectations
To ensure behaviour is outstanding supported by effective policies and procedures
- **Outcomes for Pupils**
To ensure that all children across the Trust make better than expected progress from their individual starting points
To raise attainment for all children in Reading, Writing, Maths & Science
To ensure all groups of children including Disadvantaged Pupils, SEND, More Able and Less Able make better than expected progress

c. Public benefit

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

Objectives and activities (continued)

d. Review of activities

The continued expansion of our Multi-Academy Trust has been at the forefront of planning, workload and strategic discussion throughout this financial year.

Following the conversion of Bird's Bush Primary School in Tamworth, Staffordshire on 1 July 2018, our fifth school (and fourth within the Wolverhampton area) joined the Trust two months later on 1 September 2018.

Woodthorne Primary School in Tettenhall is a two-form entry school with approximately 415 children and 49 members of staff. The last short OFSTED inspection which took place pre-conversion in January 2018 concluded that the school continued to be rated as 'Good' following a full inspection in 2014. The Trust had worked with the school and local authority for a period of time pre-conversion with one of our Senior Leaders seconded as Acting Head Teacher from the previous academic year.

Stanley Road Primary School in Worcester then became the sixth school to join the Trust with a conversion date of 1 February 2019. The school currently caters for over 400 pupils and 80 members of staff and has been judged as Good at each of its last four OFSTED inspections, which the school is rightly proud of.

Engagement with other potential joiner schools in the neighbouring areas continued with plans of creating hub structures in each of Worcestershire and Staffordshire remaining key strategic objectives for the Trust.

Continued positive dialogue with the Department for Education regarding expansionary aspirations had resulted in a successful offer of MAT Development & Improvement Funding (£127,400) which was received early in 2018/19. This funding has enabled expansion of the Trust Senior Leadership Team (via Executive Headteacher post) in addition to driving governance, training and CPD, educational performance and growth. In addition, the Trust has also launched its initial Integrated Curriculum Financial Planning (ICFP) reviews which will continue to be embedded within our internal financial control processes.

The remainder of the Regional Growth funding awarded last year (£100K) was spent in 2018/19 with further investment into new cloud based IT and HR systems to improve accessibility of information across the Trust. The Trust has continued to benefit from the relationship with a local consultancy firm who have experience with branding, additional funding streams, income opportunities and business growth. We have been fortunate to receive numerous grant funding opportunities for various projects across our schools (including donations for extended services, sensory gardens and reading projects amongst them) and this working relationship will continue into 2019/20 with synergies of procurement via increased preferred supplier arrangements the next focus area for review.

With a continued drive to strengthen the Trust Board, the Trustees saw a new appointment bringing further corporate and business experience.

The annual Trust Governor Away Day proved to be another beneficial session following the Senior Leadership and Wider Leadership conferences. The day included learning walks at individual schools and a review of School Improvement Plans with respective Heads followed by training on OFSTED framework and Safeguarding. Feedback and consequent action plans have been formulated to support the strategic objectives of the Chief Executive Officer.

There was one OFSTED inspection carried out across our Trust schools in the period (Dunstall Hill Primary) and this review which concluded with a 'Good' rating is detailed further in this report.

Some key achievements/developments for our individual schools in the period ended 31 August 2019 are summarised below:

Objectives and activities (continued)

d. Review of activities (continued)

PERRY HALL PRIMARY

This year marked the 70th anniversary of Perry Hall Primary which opened in 1949 (as separate Infant and Junior Schools) and birthday celebrations have taken place throughout the year culminating during July with a whole school event of commemoration.

Perry Hall continued to build on its accreditation as a Teaching School and promote its reputation via regional launch events. The school increased working formally with other establishments across multiple authorities to provide high-quality training, development and support to new and experienced school staff with numerous certifications for senior leaders for education. The development of leadership and support structures most notably via the Executive Head Teacher for the Teaching School continued to drive the teaching school alliance and the contribution to raising standards through continued school to school support. This has also resulted in generation of revenue in addition to centrally funded income streams.

Assessment

- Pupils continue to enter school below age related expectations, generally leaving Reception close to age related bands and then leaving Key Stage 1 broadly in line with national averages hence demonstrating at least good progress.
- The school reported Key Stage 2 performance this year as below with Year 6 attainment following the May 2019 SATS continuing to be well above latest published national statistics in Writing and ahead in Maths:

<u>READING</u>		<u>WRITING</u>		<u>EGPS</u>		<u>MATHS</u>	
P Hall	National	P Hall	National	P Hall	National	P Hall	National
69%	73%	88%	78%	77%	78%	80%	79%
	-4%		+10%		-1%		+1%
Progress	-0.95		2.03		-		+0.67

Behaviour & Attendance

- The behaviour management system within school continues to be effective and as a result the majority of behaviour incidents are dealt with effectively and with increased feedback to all pupils involved and their parents/carers. The system was amended in time for the new academic year especially with regards to those children that demonstrate outstanding behaviours.
- Overall percentage of absence across the academic year was 4.7% which was better than the previous year (5.2%) and slightly below the latest national averages (by 0.5%). This is a pleasing result with all efforts made to work in conjunction with the Education Welfare Officer and families to improve these statistics further via letters, home visits and penalty notices.

Trustees' Report (continued)
For the Year Ended 31 August 2019

Objectives and activities (continued)

d. Review of activities (continued)

Facilities

- Following a full heating replacement in Key Stage 2 a couple of years back (final retention monies were settled in 2018/19), work on the Key Stage 1 heating system replacement commenced towards the end of the academic year. This project was as a result of another successful Condition Improvement Funding (CIF) bid covering the total expenditure of £0.3m. The school is contributing £53K towards the overall cost of this project.
- During the Easter break, various works were progressed ensuring the quality of the school's ramps and access areas re. Disability Discrimination Act (DDA)
- As reported in our previous report, localised flooding across the area last year meant that the school's Nursery and Reception classes were badly damaged resulting in classroom moves and closures. Many learning resources and items of furniture were destroyed in the damage and those requiring replacement were subject to successful insurance claim receipt during the 2018/19 financial period.

BERRYBROOK PRIMARY

Berrybrook continued to build on its latest Good OFSTED rating with community engagement and has increased its provision for Twos and extended services.

Income was also generated for the school via the Head of School taking part in a Senior Leader of Education Project with a neighbouring authority.

Pupil numbers saw an uplift, with Year 5 in particular subject to an allocation of growth funding and the school was also successful in securing grant funding for key projects including gardening and Science equipment, a sensory garden and re-launch of its breakfast club.

Assessment

- Pupils continue to enter the school well below age related expectations leaving Reception close to age related bands and leaving Key Stage 1 broadly in line with national averages demonstrating at least good progress.
- Key Stage 2 results from May 2019 were as published below:

<u>READING</u>		<u>WRITING</u>		<u>EGPS</u>		<u>MATHS</u>	
Berrybrook	National	Berrybrook	National	Berrybrook	National	Berrybrook	National
58%	73%	76%	78%	85%	78%	79%	79%
	-15%		-2%		+7%		-
Progress	-2.79		-0.72		-		+0.67

- Combined results were consequently down on national expected standards, but in terms of Maths, progress is favourable.

Objectives and activities (continued)

d. Review of activities (continued)

Behaviour & Attendance

- Overall behaviour in school continues to be dealt with effectively underpinned by early identification of needs and positive relationships with parents/carers. The behaviour system has been amended during the year to ensure that expectations in behaviour across school are understood. Appropriate advice and support continues to be put in place for those pupils with severe social and emotional difficulties via the Trust's Assistant Educational Psychologist.
- Overall percentage of absence across the academic year was 5.3% which was a decrease on the prior year (6.4%) however still remains below national averages.
- The school continues to work relentlessly with families and the Educational Welfare Officer to ensure this rate is improved particularly by targeting a minority of persistent offenders whose attendance is below anticipated levels.

Facilities

- Again, the flash floods from the prior year caused substantial damage to a number of classrooms and support areas. The Main Hall floor was particularly damaged and formed the largest part of repair expenditure incurred. However, all costs outlaid formed part of a successful insurance claim which was received in 2018/19.
- Unfortunately, the school suffered a period of vandalism during the previous Summer holiday period and into early 2018/19. Replacement windows alone cost the school in excess of £30K (which was also the subject of insurance claim). However, as a result of CCTV investment, a replacement windows programme and improvements to gate access, the vandalism has now ceased.
- The school budget – supplemented with Devolved Formula Capital- has seen an external play area completely revamped and internally there has been improvements made to new corridor ceilings and Key Stage 2 facilities.
- The Terrific for Twos provision saw numbers steadily improve during the year both in terms of funded and non-funded places and the re-opening of extended school services (which had previously been closed on conversion in 2014) also benefitted from grant funding.
- The relationship with the two educationally focussed licensees who occupy office space on the school site continued, particularly with regard to the hire of training room facilities leading to increased income for the school and Trust.

Objectives and activities (continued)

d. Review of activities (continued)

DUNSTALL HILL PRIMARY

The key achievement of the year to highlight was the two day OFSTED inspection which took place in April 2019 (almost three years since the school's conversion in May 2016).

The school are justifiably proud that the overall effectiveness of the school was judged as Good with leadership and management, quality of teaching and outcomes for pupils all judged similarly as Good. Personal development, behaviour and welfare was judged as Outstanding with the school praised for its values of determination, respect, positivity and success central to the work of the school.

Early years provision was the only criteria not to receive a minimum of Good and this area is where action planning has been focussed. Many children come into the provision with knowledge and skills well below those typical for their age and although over the last three years the proportion of children achieving a good level of development has increased year on year, it remains below the national average. Teachers and leaders in Early Years and Key Stage 1 will work together to address these findings.

The school moved further towards a full two-form entry establishment with the primary expansionary programme now complete and pupil numbers continuing to increase. Mobility within school remains high as does the number of languages.

The school was also fortunate to receive grant funding for various key projects, namely set-up of its Breakfast Club, Science provision and a National Lottery award for its English for Speakers of Other Languages (ESOL) Project.

Assessment

- Key Stage 2 attainment was above national in most subject areas as demonstrated by the May 2019 SATs results:

<u>READING</u>		<u>WRITING</u>		<u>EGPS</u>		<u>MATHS</u>	
Dunstall	National	Dunstall	National	Dunstall	National	Dunstall	National
69%	73%	81%	78%	88%	78%	94%	79%
	-4%		+3%		+10%		+15%
Progress	+0.42		+1.98		-		+2.61

- The school continues to be proud of its progress results not least because many of the children enter school with little or no English and below national expectations in most reported areas. Progress data therefore is an exceptionally important measure for Dunstall Hill Primary. The school was delighted to be recognised for reaching the top 3% of schools in the country for the progress children make from their starting points.
- Outcomes continue on an upward trend particularly with regard to those achieving higher standards.

Objectives and activities (continued)

d. Review of activities (continued)

Behaviour & Attendance

- The development of the Good to Be Green behaviour system continued with focus on those children who are consistently 'green' and tackling key adverse behaviours. Where unacceptable behaviour is shown, regular meetings are held between pupils, staff, parents / carers and outside agencies (where appropriate). The reduction in reported behavioural incidents over the period has evidenced that these positive changes are working.
- Overall percentage of absence across the academic year was 4.6% which compared to a prior year result of 5.4%. This is a positive move forward but remains below national averages, however, the efforts of school staff with the external Education Welfare Officer continue to target this area of focus. Due to observance of religious festivals which impacts on the school's attendance statistics, the school can add an additional 0.4% to its reported figures meaning that a revised percentage attendance would be closer to national expectations.

Facilities

- Following completion of the primary expansion project, with the new improved facilities available, the school has become an attractive means of generating additional income via lettings with clubs for the local community outside of school hours commencing (and generating interest in potential further opportunities).
- Re-surfacing of the school car parking facilities took place during the Easter holidays (all £90K expenditure funded from school reserves) and there was also substantial capital expenditure on replacement boilers towards the close of the financial year.

BIRD'S BUSH PRIMARY

Our fourth school and first outside the Wolverhampton area has embedded well within the Trust during its first full year post conversion. The grant funding received for school improvement has been spent mainly on appropriate resources (including RWI) and increased senior leadership focus.

As part of the Trust, synergies from shared central services and procurement programmes have also started to be realised within the finances.

Staffing structures have been reviewed – not least as the Trust operates across three differing local authorities with Staffordshire practices not necessarily aligned with the others – and this will yield further benefits as we head into 2019/20.

The school has similarly been successful in receiving grant funding, mainly for a community garden at the close of 2018/19 and the plan is to develop a Forest School area as we head into the new academic year.

Assessment

- Key Stage 2 results from MAY 2019 SATS are reported as below with Writing particularly pleasing:

<u>READING</u>		<u>WRITING</u>		<u>EGPS</u>		<u>MATHS</u>	
Birds	National	Birds	National	Birds	National	Birds	National
53%	73%	79%	78%	72%	78%	62%	79%
	-20%		+1%		-6%		-17%
Progress	-3.51		-0.99		-		-4.08

Trustees' Report (continued)
For the Year Ended 31 August 2019

Objectives and activities (continued)

d. Review of activities (continued)

Behaviour & Attendance

- Overall percentage of absence across the academic year was 4.4% which compared to a prior year result of 7.2%. This is a favourable move forward and one the school is rightly proud of and will continue to work on.

Facilities

- Another highlight for the school was the successful Condition Improvement Funding (CIF) bid for roofing works – receiving £144K. The school contribution to this project is £36K. This follows successful completion of asbestos removal in the school entrance area in the previous year which initially had led to the delay in conversion.

WOODTHORNE PRIMARY

Our fifth school has also integrated into the Trust well post conversion – as part of the Wolverhampton authority and the benefit of having a senior leader seconded there leading up to conversion.

Again, synergies from shared central services and procurement programmes have started to be realised within the finances – which were in a deficit position ahead of conversion. The school is subject to a monthly loan repayment to DfE for balances settled with the local authority on conversion but we have seen a significant improvement in the financial profile of the school since its conversion.

Assessment

- Key Stage 2 attainment was above national in all subject areas as demonstrated by the May 2019 SATs results below with progress all positive – most notably in Writing:

<u>READING</u>		<u>WRITING</u>		<u>EGPS</u>		<u>MATHS</u>	
WT	National	WT	National	WT	National	WT	National
78%	73%	83%	78%	86%	78%	80%	79%
	+5%		+5%		+8%		+1%
Progress	+0.48		+2.81		-		+0.77

Behaviour & Attendance

- Overall percentage of absence across the academic year was 4.1% which compared to a prior year result of 4.4%. This is the highest attendance reported across the Trust and another positive move forward higher than national expectations.

Facilities

- Another successful Condition Improvement Funding (CIF) bid for roofing works has been enjoyed at Woodthorne– with the school receiving £97K. The school contribution to the project is £24K and it is pleasing that the school's finances continue to move forward favourably to allow this type of investment.
- Outdoor areas have also seen much needed investment during the year with pathways and bike shelter areas receiving improvements.
- There are other facilities which require investment – not least Key Stage 2 areas - and these will be focussed during 2019/20.

Objectives and activities (continued)

d. Review of activities (continued)

STANLEY ROAD PRIMARY

The Trust's first school in Worcestershire converted on 1 February 2019.

As with all conversions, this initial period of consolidation, review and action planning continues and the school has adopted the educational and working practices of its counterparts.

In the light of decreasing numbers on roll and consequent funding levels, support staffing structures have been reviewed at the close of the financial period and the benefits of this review will be evidenced as we move into 2019/20.

The school has already benefitted from the Trust property services relationship with a programme of work to improve front office areas and more lately there has been investment into the school via the Trust to ensure successful asbestos removal.

The school's financial profile appeared initially challenging but during 2019/20 the school can realise benefits of synergy, so this position is forecast to change favourably.

The school is a key focus of the community and as such is also proud to have received a nomination for Primary School of the Year – a Worcestershire Education Award.

Assessment

- Key Stage 2 attainment was below national in all subject areas as demonstrated by the May 2019 SATs results. Improvement will be an area of focus as the school moves forward as part of the Trust both locally and centrally:

<u>READING</u>		<u>WRITING</u>		<u>EGPS</u>		<u>MATHS</u>	
Stanley Road	National	Stanley Road	National	Stanley Road	National	Stanley Road	National
52%	73%	71%	78%	68%	78%	71%	79%
	-21%		-7%		-10%		-8%
Progress	-2.63		0.03		-		-2.03

Objectives and activities (continued)

d. Review of activities (continued)

M.A.T Central Business Team

- There has been significant progress during the year to ensure that the MAT remains an employer of choice. Investment in employee assistance programmes and other employee benefits such as health cover, will writing, voucher schemes, car leasing schemes and others continue to highlight our commitment to our staff health and wellbeing.
- With our continued drive to create a more standardised and efficient shared central service, finance processes continued to be reviewed. All transactional services including purchase order and invoice processing have successfully been integrated into the central team in addition to all reporting and accounting responsibilities. This has led to a review of shared service resource and consequent additional headcount to support both financial and HR services as we acquire more establishments.
- As the central team has grown, there has been consequent investment into the office footprint occupied by staff. These modifications which took place during the summer holiday period have allowed for more focussed meeting room space and breakout areas.
- Further work has been undertaken to move the Trust to increased preferred supplier agreements leveraging additional procurement benefits. This work-stream will continue apace across other commodity spends with support from our external consultants in 2019/20.
- As the organisation entities doubled in size in a short period of time, the need for centralised management information and financial systems has likewise increased. Our new cloud based financial package purchased when Bird's Bush joined the Trust in July 2018 has now been successfully adopted by the following two conversions and this software will subsequently be rolled out to our legacy schools during the forthcoming 2019/20 period. In addition, also as a result of our growth, a new cloud based Human Resources system has been purchased.

Strategic report

Achievements and performance

a. Key performance indicators

The key performance indicators of the Academy Trust include exam results, pupil attendance, pupil levels, Ofsted reports, unrestricted reserves carried forward, cash levels and staff retention. See Review of activities above for further details.

b. 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 they continue 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 accounting policies.

Strategic report (continued)

Financial review

a. Reserves policy

No additional funds have been set aside for future liabilities other than operational accruals and reserved income for the CIF capital expenditure projects.

At the end of the prior year financial period, to assist with a consolidated Trust review of capital expenditure priorities, an agreed percentage of year end reserves was identified and then transferred to the Centre in early 2018/19.

Discussion and agreement on a similar process for 2018/19 balances is still to be ratified.

At 31 August 2019, the Trust had free reserves of £1,247,964 (2018 - £1,026,484), fixed asset reserves of £30,796,936 (2018 - £18,333,021) which can only be realised by disposing of tangible fixed assets, and a pension reserve in deficit of £5,710,000 (2018 - £2,873,000).

b. Investment policy

Due to the nature and timing of funding, the Trust may at times hold cash balances surplus to the short term operational needs of the schools. The Trustees have authorised the use of short term bank deposit accounts to take advantage of higher interest rates.

c. Principal risks and uncertainties

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

- As risk management continues to be reviewed and assessed, future funding levels remains a key topic for the schools within the Trust. With the impending implementation of the National Funding Formula, any potential funding decreases may need to be mitigated via employment and operational cost reviews.
- With expansion as the priority strategic aim of the Trust, succession planning has formed a major part of risk evaluation. These plans allow for senior management to focus on increasing expansionary objectives with consequent back-filling of operational responsibilities.
- Cash management remains a key element of risk evaluation. This includes operational review and forecasting in addition to robust due diligence regarding the cash-flow position of any potential establishments joining the Trust.

Plans for future periods

Future developments

- The strategy of the Trust continues to be growth via sponsorship of appropriate schools and Good schools joining the Trust.

Attracting other suitable establishments in those areas which the Trust now has a presence to create hub structures remains a priority. This growth plan has been fully supported via dialogue with the DfE evidenced in the recent award of MAT Development and Improvement Funding (which was received in early 2018/19 and consequently spent).

Our revised intention to have at least three schools signed up to have joined the Trust by December 2018 was achieved by February 2019.

Funds held as custodian on behalf of others

No monies are being held on behalf of other schools or other organisations as at 31 August 2019.

Employee involvement and employment of the disabled

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The Academy Trust carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The Academy Trust has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the Academy Trust's equal opportunities policy, the Academy Trust has long-established fair employment practices in the recruitment, selection, retention and training of disabled staff.

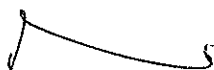
Full details of these policies are available from the Academy Trust's offices.

Disclosure of information to auditors

Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that 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 Trustees' Report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 25 November 2019 and signed on its behalf by:



A Brocklehurst
Chair of Trustees

Perry Hall Multi Academy Trust
(A Company Limited by Guarantee)

Governance Statement

Scope of responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the Chief Executive Officer, 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 Perry Hall 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 3 times during the year.

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

Trustee	Meetings attended	Out of a possible
A Brocklehurst, Chair of Trustees	3	3
A K Cheema, Chief Executive Officer and Accounting Officer	3	3
M Edwards, Vice Chair	2	3
L McCarthy	3	3
D Tarbuck	3	3
S Gill	0	0
P Hinkley	3	3
E Woodhouse	3	3
E Bianchi-Barry	2	3
A Gibson	2	2

Governance reviews:

A skills audit was undertaken again at the start of this academic year for each local governing body and this has led to the most appropriate use of resource being deployed on the various sub-committees (Standards primarily). It was agreed that in line with the development of the organisation that financial information should be shared at Trust level which led to the introduction of the Finance & Audit Committee. To ensure that key financial information is shared locally (esp. as context for academy staffing structure decisions) termly meetings are also held with a key member of the local governing body and the Head.

Successful Trustees / Governors Away Days were held in June 2019 and brought governors from each of the various local governing bodies together to exchange views and ideas against the context of the individual School Improvement Plans.

Wider Leadership Teams across the Trust were similarly brought together to share views and experiences in developing Trust best working practices.

These sessions will continue to be annual fixtures in the Trust's calendar and are already scheduled for 2020.

Perry Hall Multi Academy Trust
(A Company Limited by Guarantee)

Governance Statement (continued)

Governance (continued)

The Resource and Finance 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
- Ensure compliance with reporting and regularity requirements
- Draft the annual budget

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
A Brocklehurst	4	4
A K Cheema	4	4
L McCarthy	3	4
E Woodhouse	2	4
D Tarbuck	3	4

Review of value for money

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

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 of the Trust has ensured that the Trust's use of its resources has provided good value for money during the academic year via the following methods:

Financial Governance

In addition to the newly created Finance & Audit Committee meetings where there is a review of latest consolidated management accounts information, local representation from each academy continue to receive more detailed individual accounts. The Trust continues to employ an internal audit services provider to review operational financial procedures and processes. Regular reporting and monitoring is performed based on the findings of this additional Responsible Officer.

Robust Purchasing

Tendering, quoting and invoicing is appraised to ensure the best mix of quality and effectiveness is being provided to our academies. Service level agreements are reviewed and challenged where necessary to ensure best value for the Trust.

Vendor relationships continue to be reviewed across the academies – even more now that the organisation spans three local areas - to ensure that synergies are being realised or standardisation of services provided.

Continued centralisation and the ability to offer this to new joiners has provided additional efficiency and standardisation to financial processes.

Investment

Individual cash forecasts are prepared and cash reserves reviewed weekly via bank reconciliation to ensure that optimal use of cash is employed across the Trust. Deposit accounts –despite falling interest rates- continued to be used where short term cash flow needs allow for excess funds to be invested elsewhere at more preferential rates.

Governance Statement (continued)

Review of value for money (continued)

Pupil Premium / Sports Premium

These additional sources of funding are tracked and monitored regularly in order to ensure resources are effectively targeted to make or exceed expected academic process.

The Trust has utilised the pupil premium funding in each school to ensure adequate teachers and support staff are deployed appropriately. This is predominantly via intervention strategies for the targeted children in addition to contributing to life experiences that some of these disadvantaged pupils would not normally receive (i.e. contribution towards trips and residential visits).

The launch of our Pupil Premium Champion termly meetings bringing representatives from all schools together has seen a sharing of best practice across educational strategies and expenditure.

The Sports Premium has also received further focus with termly information on spending shared with key representation from each school for scrutiny, challenge and action planning where variances exist.

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 Perry Hall Multi Academy Trust for the year 1 September 2018 to 31 August 2019 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 2018 to 31 August 2019 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 General Purposes Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing (asset purchase or capital investment) guidelines
- delegation of authority and segregation of duties
- identification and management of risks

Governance Statement (continued)

The risk and control framework (continued)

The board of Trustees has considered the need for a specific internal audit function and has decided to appoint 8020 Financial Management as internal auditor.

The internal auditor's 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:

- Leadership and governance
- People management
- Policy and strategy
- Partnership and resources
- Processes

On an annual basis, the internal auditor reports to the board of Trustees through the Resource and Finance committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities. 8020 Financial Management has carried out their schedule of work as planned and have not identified any material control issues.

Review of effectiveness

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

- the work of the internal auditor;
- 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 Resource and Finance committee and a plan to address weaknesses and ensure continuous improvement of the system is in place. Tick to add extra paragraph below

Approved by order of the members of the board of Trustees on 25 November 2019 and signed on their behalf by:



A Brocklehurst
Chair of Trustees



A K Cheema
Accounting Officer

Perry Hall Multi Academy Trust
(A Company Limited by Guarantee)

Statement on Regularity, Propriety and Compliance

As accounting officer of Perry Hall Multi Academy Trust I have considered my responsibility to notify the Academy Trust board of Trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the Academy Trust, under the funding agreement in place between the Academy Trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2018.

I confirm that I and the Academy Trust board of Trustees are able to identify any material irregular or improper use of all funds by the Academy Trust, or material non-compliance with the terms and conditions of funding under the Academy Trust's funding agreement and the Academies Financial Handbook 2018.

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.



A K Cheema
Accounting Officer

Date: 25 November 2019

Perry Hall Multi Academy Trust
(A Company Limited by Guarantee)

Statement of Trustees' responsibilities
For the Year Ended 31 August 2019

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction published by the Education & 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 2018 to 2019;
- 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees on 25 November 2019 and signed on its behalf by:



A Brocklehurst
Chair of Trustees

Independent Auditors' Report on the financial statements to the Members of Perry Hall Multi Academy Trust

Opinion

We have audited the financial statements of Perry Hall Multi Academy Trust (the 'academy trust') for the year ended 31 August 2019 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2019 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 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

Independent Auditors' Report on the financial statements to the Members of Perry Hall Multi Academy Trust (continued)

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' Report including the Strategic Report for the financial year 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 including the Strategic Report.

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

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

Independent Auditors' Report on the financial statements to the Members of Perry Hall Multi Academy Trust (continued)

Responsibilities of trustees

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

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

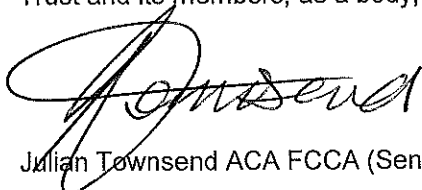
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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



Julian Townsend ACA FCCA (Senior Statutory Auditor)

for and on behalf of
Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

25 November 2019

Perry Hall Multi Academy Trust
(A Company Limited by Guarantee)

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

In accordance with the terms of our engagement letter dated 30 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Perry Hall Multi Academy Trust during the year 1 September 2018 to 31 August 2019 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 Perry Hall 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 Perry Hall Multi Academy Trust and ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Perry Hall Multi Academy Trust and ESFA, for our work, for this report, or for the conclusion we have formed.

Respective responsibilities of Perry Hall Multi Academy Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Perry Hall Multi Academy Trust's funding agreement with the Secretary of State for Education dated 28 June 2013 and the Academies Financial Handbook, extant from 1 September 2018, 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 2018 to 2019. 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 2018 to 31 August 2019 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 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Perry Hall Multi Academy Trust
(A Company Limited by Guarantee)

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

Conclusion

In the course of our work, nothing has come to our attention which suggest in all material respects the expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

Date: 25 November 2019

Perry Hall Multi Academy Trust
(A Company Limited by Guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 August 2019

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants:	3					
Transfer from Local Authority on conversion		122,890	(1,510,000)	12,229,116	10,842,006	3,621,664
Other donations and capital grants		107,774	34,358	633,125	775,257	3,468,000
Charitable activities:	4					
Funding for the academy trust's educational operations		-	-	-	-	5,786,546
Other charitable activities		-	9,959,865	-	9,959,865	-
Teaching schools	29	-	60,620	-	60,620	66,000
Other trading activities	5	48,561	-	-	48,561	39,820
Investments	6	4,864	-	-	4,864	3,323
Total income		284,089	8,544,843	12,862,241	21,691,173	12,985,353
Expenditure on:						
Charitable activities		92,012	9,900,325	806,109	10,798,446	5,989,225
Teaching schools	29	-	50,333	-	50,333	60,565
Other expenditure		-	-	-	-	-
Total expenditure		92,012	9,950,658	806,109	10,848,779	6,049,790
Net income before transfers		192,077	(1,405,815)	12,056,132	10,842,394	6,935,563
Transfers between funds	18	(150,000)	(257,783)	407,783	-	-
Net movement in funds before other recognised gains/(losses)		42,077	(1,663,598)	12,463,915	10,842,394	6,935,563
Other recognised gains/(losses):						
Actuarial (loss)/gain on defined benefit pension schemes	25	-	(994,000)	-	(994,000)	482,000
Net movement in funds		42,077	(2,657,598)	12,463,915	9,848,394	7,417,563
Reconciliation of funds:						
Total funds brought forward		625,367	(2,471,883)	18,333,021	16,486,505	9,068,942
Net movement in funds		42,077	(2,657,598)	12,463,915	9,848,394	7,417,563
Total funds carried forward		667,444	(5,129,481)	30,796,936	26,334,899	16,486,505

Perry Hall Multi Academy Trust
(A Company Limited by Guarantee)

Balance Sheet
For the Year Ended 31 August 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	14	30,726,995	18,301,937
Current assets			
Debtors	15	813,739	483,386
Cash at bank and in hand		1,698,017	1,247,242
		<u>2,511,756</u>	<u>1,730,628</u>
Creditors: amounts falling due within one year	16	(1,169,846)	(637,053)
Net current assets		<u>1,341,910</u>	<u>1,093,575</u>
Total assets less current liabilities		<u>32,068,905</u>	<u>19,395,512</u>
Creditors: amounts falling due after more than one year	17	(24,005)	(36,007)
Net assets excluding pension liability		<u>32,044,900</u>	<u>19,359,505</u>
Defined benefit pension scheme liability	25	(5,710,000)	(2,873,000)
Total net assets		<u><u>26,334,900</u></u>	<u><u>16,486,505</u></u>
Funds of the Academy Trust			
Restricted funds:			
Fixed asset funds	18	30,796,936	18,333,021
Restricted income funds	18	580,519	401,117
Pension reserve	18	(5,710,000)	(2,873,000)
Total restricted funds	18	<u>25,667,455</u>	<u>15,861,138</u>
Unrestricted income funds	18	<u>667,445</u>	<u>625,367</u>
Total funds		<u><u>26,334,900</u></u>	<u><u>16,486,505</u></u>

The financial statements on pages 29 to 61 were approved by the Trustees, and authorised for issue on 25 November 2019 and are signed on their behalf, by:


A Brocklehurst
Chair of Trustees

The notes on pages 32 to 61 form part of these financial statements.

Perry Hall Multi Academy Trust
(A Company Limited by Guarantee)

Statement of Cash Flows
For the Year Ended 31 August 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	20	823,952	537,836
Cash flows from investing activities	21	(373,177)	(93,265)
Change in cash and cash equivalents in the year		450,775	444,571
Cash and cash equivalents at the beginning of the year		1,247,242	802,671
Cash and cash equivalents at the end of the year	22	1,698,017	1,247,242

The notes on pages 32 to 61 form part of these financial statements

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 historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

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

1.2 Going concern

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

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

Grants are included in the Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of meeting any performance-related conditions there is not unconditional entitlement to the income and its recognition is deferred and included in creditors as deferred income until the performance-related conditions are met. Where entitlement occurs before income is received, the income is accrued.

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

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

- **Donations**

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

- **Other income**

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

- **Transfer on conversion**

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

- **Transfer of existing academies into the Academy Trust**

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

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**

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

- **Charitable activities**

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

All resources expended are inclusive of irrecoverable VAT.

1.5 Interest receivable

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

1.6 Taxation

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

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

1. Accounting policies (continued)

1.7 Tangible fixed assets

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

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

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

Depreciation is provided on the following bases:

Long Term Leasehold Land	- Over the lease term
Long Term Leasehold Property	- 2% Straight line
Leasehold Improvements	- 10% Straight line
Furniture and fittings	- 20% Straight line
Computer equipment	- 33.3% 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.

1.8 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.

1.9 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.

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Academy Trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

1. Accounting policies (continued)

1.11 Provisions

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

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

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 bases are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 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 cost as detailed in notes 16 and 17. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instrument. Amounts due to the Academy Trust's wholly owned subsidiary are held at face value less any impairment.

1.13 Operating leases

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

1. Accounting policies (continued)

1.14 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.15 Fund accounting

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

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

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

Notes to the Financial Statements
For the Year Ended 31 August 2019

2. Critical accounting estimates and areas of judgment

Estimates and judgments 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 or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 25, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. 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 judgment:

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Transfer from Local Authority on conversion	122,890	10,719,116	10,842,006	3,621,664
Donations	10,351	34,358	44,709	12,203
Parent contributions to school visits	97,423	-	97,423	38,850
Devolved capital funding	-	148,513	148,513	24,234
Capital maintenance fund	-	484,612	484,612	76,753
Capital contribution	-	-	-	3,315,960
Subtotal	107,774	667,483	775,257	3,468,000
	230,664	11,386,599	11,617,263	7,089,664
Total 2018	99,697	6,989,967	7,089,664	

Notes to the Financial Statements
For the Year Ended 31 August 2019

4. Funding for the Academy's educational operations

	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants			
General annual grant (GAG)	7,309,290	7,309,290	3,963,659
Universal free school meals	199,049	199,049	107,026
Pupil premium	752,415	752,415	507,193
Sports funding	104,312	104,312	62,180
Contributions from other services	232,033	232,033	28,447
	<u>8,597,099</u>	<u>8,597,099</u>	<u>4,668,505</u>
Other government grants			
Contributions from other services	15,934	15,934	16,550
Early years funding/SEN	579,479	579,479	434,278
Twos funding	95,695	95,695	115,119
Pupil premium	7,077	7,077	6,400
Expansion funding	361,388	361,388	271,576
	<u>1,059,573</u>	<u>1,059,573</u>	<u>843,923</u>
Other funding			
Catering income	109,549	109,549	55,878
Income from school support services	5,625	5,625	79,950
Extended services fees	98,144	98,144	32,676
Contributions from other services	89,875	89,875	105,614
	<u>303,193</u>	<u>303,193</u>	<u>274,118</u>
	<u><u>9,959,865</u></u>	<u><u>9,959,865</u></u>	<u><u>5,786,546</u></u>

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Hire of facilities	48,561	48,561	39,820

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Notes to the Financial Statements
For the Year Ended 31 August 2019

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Bank interest	4,864	4,864	3,323

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Educational Operations:					
Direct costs	4,808,581	647,784	822,953	6,279,318	3,346,302
Support costs	2,742,130	499,152	1,277,846	4,519,128	2,642,923
Teaching schools	-	-	50,333	50,333	60,565
	<u>7,550,711</u>	<u>1,146,936</u>	<u>2,151,132</u>	<u>10,848,779</u>	<u>6,049,790</u>
Total 2018	<u>3,922,752</u>	<u>860,812</u>	<u>1,266,226</u>	<u>6,049,790</u>	

Notes to the Financial Statements
For the Year Ended 31 August 2019

8. Analysis of expenditure by activities

	Direct costs 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Funding for educational operations	6,279,318	4,519,128	10,798,446	5,989,225

Analysis of direct costs

	Total funds 2019 £	Total funds 2018 £
LGPS costs	101,000	72,000
Staff costs	4,808,581	2,363,265
Depreciation	647,784	393,962
Educational supplies	135,119	85,300
Staff development	83,427	41,032
Technology costs	52,324	51,978
Educational consultancy	198,111	174,106
Travel and subsistence	103,864	35,480
Other direct costs	146,442	127,234
Recruitment and support	2,667	1,945
Total 2019	6,279,318	3,346,302

Notes to the Financial Statements
For the Year Ended 31 August 2019

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Staff costs	2,742,129	1,559,488
Depreciation	143,325	124,277
Travel and subsistence	64,108	33,392
Irrecoverable VAT	5,268	7,133
Maintenance of premises	197,532	129,767
Maintenance of equipment	68,371	9,284
Cleaning	189,201	69,782
Rates	14,098	27,530
Water rates	24,509	26,223
Energy	118,914	64,415
Insurance	33,355	24,856
Catering costs	439,461	261,642
Governance costs	174,488	107,910
Other support costs	304,370	197,224
Total 2019	4,519,128	2,642,923

9. Net income/(expenditure) before transfers

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	5,767	10,866
Depreciation of tangible fixed assets	791,109	518,238
Fees paid to auditors for:		
- audit	17,950	13,675
- other services	4,950	2,775

Notes to the Financial Statements
For the Year Ended 31 August 2019

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	5,797,468	3,118,494
Social security costs	505,378	260,019
Pension costs	1,245,731	544,240
	<u>7,548,577</u>	<u>3,922,753</u>
Redundancy payments	2,134	-
	<u>7,550,711</u>	<u>3,922,753</u>

b. Staff numbers

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

	2019 No.	2018 No.
Teachers and teaching assistants	252	112
Administration and support	39	45
Management	11	14
	<u>302</u>	<u>171</u>

c. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	4	1
In the band £70,001 - £80,000	1	-
In the band £120,001 - £130,000	1	1
	<u>6</u>	<u>2</u>

d. Key management personnel

The key management personnel of the academy trust comprise key trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer national insurance and pension contributions) received by key management personnel for their services to the academy trust was £1,285,512 (2018 - £845,325)

Notes to the Financial Statements
For the Year Ended 31 August 2019

11. Central services

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

- Human resources
- Finance services
- Administration
- Data services
- Early years consultancy
- Chief Executive Officer and leadership support
- Educational psychologist support
- Caretaker services

The Academy charges for these services on the following basis:

Salary charges are split equally between the 6 academies other than the educational psychologist costs. Educational psychologist costs only relate to Perry Hall Primary School, Berrybrook Primary School and Dunstall Hill Primary School, therefore are split between just these 3 academies. The remaining costs are split equally between all 6 academies.

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Perry Hall Primary School	103,290	163,453
Berrybrook Primary School	103,290	163,453
Dunstall Hill Primary School	103,290	163,453
Bird's Bush Primary School	89,694	15,953
Woodthorne Primary School	90,708	-
Stanley Road Primary School	50,095	-
Total	540,367	506,312

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the Academy. The principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and staff members under their contracts of employment. The value of Trustees' remuneration and other benefits was as follows:

		2019 £	2018 £
A K Cheema	Remuneration	125,000 - 130,000	110,000 - 115,000
	Pension contributions paid	20,000 - 25,000	15,000 - 20,000

During the year, no Trustees received any benefits in kind (2018 - £NIL).

During the year ended 31 August 2019, no Trustee expenses have been incurred (2018 - £NIL).

Notes to the Financial Statements
For the Year Ended 31 August 2019

13. Trustees' and Officers' insurance

In accordance with normal commercial practice, the academy has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2019 was £2,047 (2018 - £1,895). The cost of this insurance is included in the total insurance cost.

14. Tangible fixed assets

	Long term leasehold land and buildings £	Leasehold improvements £	Furniture and fixtures £	Plant and equipment £	Total £
Cost or valuation					
At 1 September 2018	17,275,960	2,042,348	145,236	340,146	19,803,690
Additions	-	935,463	20,612	55,091	1,011,166
Transfers on conversion	12,205,000	-	-	-	12,205,000
At 31 August 2019	29,480,960	2,977,811	165,848	395,237	33,019,856
Depreciation					
At 1 September 2018	736,326	517,603	72,775	175,049	1,501,753
Charge for the year	436,344	211,440	24,296	119,029	791,109
At 31 August 2019	1,172,670	729,043	97,071	294,078	2,292,862
Net book value					
At 31 August 2019	28,308,290	2,248,768	68,777	101,159	30,726,994
At 31 August 2018	16,539,634	1,524,745	72,461	165,097	18,301,937

15. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	4,674	12,248
Other debtors	204,184	198,604
Prepayments and accrued income	604,881	272,534
	813,739	483,386

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Notes to the Financial Statements
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16. Creditors: Amounts falling due within one year

	2019 £	2018 £
Other loans	12,441	12,001
Trade creditors	311,953	90,152
Other taxation and social security	127,483	79,104
Other creditors	121,173	81,678
Accruals and deferred income	596,796	374,118
	<u>1,169,846</u>	<u>637,053</u>
	2019 £	2018 £
Deferred income		
Deferred income at 1 September 2018	183,439	181,465
Resources deferred during the year	131,782	183,439
Amounts released from previous periods	(183,439)	(181,465)
Deferred income at 31 August 2019	<u>131,782</u>	<u>183,439</u>

At the balance sheets date the Academy was holding Universal Infant Free School Meals funding received in advance of the academic year 2019/20.

17. Creditors: Amounts falling due after more than one year

	2019 £	2018 £
Other loans	<u>24,005</u>	<u>36,007</u>

Perry Hall Multi Academy Trust
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Notes to the Financial Statements
For the Year Ended 31 August 2019

18. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	625,367	284,090	(92,012)	(150,000)	-	667,445
Restricted general funds						
General Annual Grant	400,977	7,309,290	(7,372,284)	232,109	-	570,092
Pupil Premium	-	759,492	(759,492)	-	-	-
Other DfE/ESFA grants	-	531,340	(271,131)	(260,209)	-	-
Other funding	-	1,284,552	(724,957)	(559,595)	-	-
Catering	-	109,549	(439,461)	329,912	-	-
Teaching school	140	60,620	(50,333)	-	-	10,427
Pension reserve	(2,873,000)	(1,510,000)	(333,000)	-	(994,000)	(5,710,000)
	<u>(2,471,883)</u>	<u>8,544,843</u>	<u>(9,950,658)</u>	<u>(257,783)</u>	<u>(994,000)</u>	<u>(5,129,481)</u>
Restricted fixed asset funds						
Terrific For Twos	32,411	-	(13,880)	-	-	18,531
Capital Maintenance Fund	936,108	484,613	(163,068)	9,916	-	1,267,569
Devolved Capital grants	73,770	148,512	-	(31,124)	-	191,158
Assets inherited on conversion	16,572,838	12,205,000	(478,393)	-	-	28,299,445
Assets funded from GAG	534,252	-	(83,331)	278,991	-	729,912
Capital contribution	176,645	-	(66,682)	-	-	109,963
Donations	6,997	24,116	(755)	-	-	30,358
MAT capital pot	-	-	-	150,000	-	150,000
	<u>18,333,021</u>	<u>12,862,241</u>	<u>(806,109)</u>	<u>407,783</u>	<u>-</u>	<u>30,796,936</u>
Total Restricted funds	<u>15,861,138</u>	<u>21,407,084</u>	<u>(10,756,767)</u>	<u>150,000</u>	<u>(994,000)</u>	<u>25,667,455</u>
Total funds	<u>16,486,505</u>	<u>21,691,174</u>	<u>(10,848,779)</u>	<u>-</u>	<u>(994,000)</u>	<u>26,334,900</u>

18. Statement of funds (continued)

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

Unrestricted funds

Unrestricted 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. Unrestricted funds will be deployed primarily on appropriate staffing and leadership structures across the Academy Trust to ensure that pupil achievement is enhanced.

Restricted general funds

This fund represents grants and other income received for the Academy Trust's operational activities and development

Pension reserve

The pension reserve included within restricted general funds represents the Academy Trust's share of the pension liability arising on the LGPS pension fund.

Restricted fixed asset funds

This fund represents grants and other income received to carry out works of a capital nature.

Transfers between funds

Transfers between funds relate to purchases of a capital nature being funded by GAG and catering expenditure funded by the transfer of universal free school meals income and the remainder being funded by GAG.

Under the funding agreement with the Secretary of State, the Academy Trust was not subject to a limit on the amount of GAG it could carry forward at 31 August 2019.

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Notes to the Financial Statements
For the Year Ended 31 August 2019

18. Statement of funds (continued)

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019	2018
	£	£
Perry Hall Primary School	214,603	182,806
Berrybrook Primary School	217,571	248,071
Dunstall Hill Primary School	556,199	493,508
Bird's Bush Primary School	13,103	28,064
Woodthorne Primary School	62,651	-
Stanley Road Primary School	19,544	-
Multi-Academy Trust	164,293	74,035
Total before fixed asset funds and pension reserve	1,247,964	1,026,484
Restricted fixed asset fund	30,796,936	18,333,021
Pension reserve	(5,710,000)	(2,873,000)
Total	26,334,900	16,486,505

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For the Year Ended 31 August 2019

18. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Perry Hall Primary School	977,870	567,761	24,638	473,406	2,043,675	1,952,678
Berrybrook Primary School	580,850	382,820	19,555	285,560	1,268,785	1,158,766
Dunstall Hill Primary School	931,463	431,682	31,020	426,550	1,820,715	1,568,388
Bird's Bush Primary School	663,413	326,286	12,552	265,233	1,267,484	199,918
Woodthorne Primary School	831,928	373,930	29,387	432,242	1,667,487	-
Stanley Road Primary School	656,235	373,169	11,507	170,242	1,211,153	-
Multi-Academy Trust	267,823	286,482	6,460	217,607	778,372	651,801
Academy Trust	4,909,582	2,742,130	135,119	2,270,840	10,057,671	5,531,551

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Notes to the Financial Statements
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18. Statement of funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	513,792	142,840	(31,265)	-	-	625,367
Restricted general funds						
General Annual Grant	104,511	3,963,659	(3,521,986)	(145,207)	-	400,977
Pupil Premium	-	513,593	(513,593)	-	-	-
Other DfE/ESFA grants	-	169,206	(62,180)	(107,026)	-	-
Other funding	-	1,040,840	(971,319)	(69,521)	-	-
Catering	-	55,878	(261,643)	205,765	-	-
Teaching school	-	66,000	(60,565)	(5,295)	-	140
Pension reserve	(2,881,000)	(365,000)	(109,000)	-	482,000	(2,873,000)
	<u>(2,776,489)</u>	<u>5,444,176</u>	<u>(5,500,286)</u>	<u>(121,284)</u>	<u>482,000</u>	<u>(2,471,883)</u>
Restricted fixed asset funds						
Terrific For Twos	46,291	-	(13,880)	-	-	32,411
Capital Maintenance Fund	1,021,797	76,753	(162,442)	-	-	936,108
Devolved Capital grants	49,536	24,234	-	-	-	73,770
Assets inherited on conversion	9,504,498	7,289,786	(221,446)	-	-	16,572,838
Assets funded from GAG	483,551	-	(70,583)	121,284	-	534,252
Capital contribution	225,966	-	(49,321)	-	-	176,645
Donations	-	7,564	(567)	-	-	6,997
	<u>11,331,639</u>	<u>7,398,337</u>	<u>(518,239)</u>	<u>121,284</u>	<u>-</u>	<u>18,333,021</u>
Total Restricted funds	<u>8,555,150</u>	<u>12,842,513</u>	<u>(6,018,525)</u>	<u>-</u>	<u>482,000</u>	<u>15,861,138</u>
Total funds	<u>9,068,942</u>	<u>12,985,353</u>	<u>(6,049,790)</u>	<u>-</u>	<u>482,000</u>	<u>16,486,505</u>

Notes to the Financial Statements
For the Year Ended 31 August 2019

19. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	30,726,995	30,726,995
Current assets	667,445	1,311,636	532,677	2,511,758
Creditors due within one year	-	(707,112)	(462,736)	(1,169,848)
Creditors due in more than one year	-	(24,005)	-	(24,005)
Provisions for liabilities and charges	-	(5,710,000)	-	(5,710,000)
Total	667,445	(5,129,481)	30,796,936	26,334,900

Analysis of net assets between funds - prior year

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	18,301,937	18,301,937
Current assets	976,206	618,826	135,598	1,730,630
Creditors due within one year	(314,832)	(217,709)	(104,514)	(637,055)
Creditors due in more than one year	(36,007)	-	-	(36,007)
Provisions for liabilities and charges	-	(2,873,000)	-	(2,873,000)
Total	625,367	(2,471,883)	18,333,021	16,486,505

Notes to the Financial Statements
For the Year Ended 31 August 2019

20. Reconciliation of net income to net cash flow from operating activities

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	10,842,394	6,935,563
Adjustments for:		
Depreciation	791,109	518,238
Capital grants from DfE and other capital income	(12,838,125)	(7,393,302)
Dividends, interest and rents from investments	(4,864)	(3,323)
Defined benefit pension scheme obligation inherited	1,510,000	365,000
(Increase)/decrease in debtors	(330,353)	104,507
Increase/(decrease) in creditors	520,791	(97,847)
LGPS adjustments	333,000	109,000
Net cash provided by operating activities	823,952	537,836

21. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	4,864	3,323
Purchase of tangible fixed assets	(1,011,166)	(203,930)
Capital grants from DfE Group	633,125	107,342
Net cash used in investing activities	(373,177)	(93,265)

22. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	1,698,017	1,247,242
Total cash and cash equivalents	1,698,017	1,247,242

23. Conversion to an academy trust

On 1 September 2018 Woodthorne Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Perry Hall Multi Academy Trust from Wolverhampton City Council for £NIL consideration.

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

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	-	6,100,000	6,100,000
Current assets				
Cash - representing budget surplus on other school funds	10,945	-	-	10,945
Non-current liabilities				
LGPS pension deficit	-	(422,000)	-	(422,000)
Net assets/(liabilities)	<u>10,945</u>	<u>(422,000)</u>	<u>6,100,000</u>	<u>5,688,945</u>

23. Conversion to an academy trust (continued)

On 1 February 2019 Stanley Road Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Perry Hall Multi Academy Trust from Worcestershire County Council for £NIL consideration.

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

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	-	6,105,000	6,105,000
Current assets				
Cash - representing budget surplus on LA funds	108,466	-	24,116	132,582
Cash - representing budget surplus on other school funds	3,478	-	-	3,478
Non-current liabilities				
LGPS pension deficit	-	(1,088,000)	-	(1,088,000)
Net assets/(liabilities)	<u>111,944</u>	<u>(1,088,000)</u>	<u>6,129,116</u>	<u>5,153,060</u>

24. Capital commitments

	2019 £	2018 £
Contracted for but not provided in these financial statements		
Acquisition of tangible fixed assets	<u>83,040</u>	<u>-</u>

25. Pension commitments

The Academy Trust's employees belong to two principal pension schemes: the Teachers' 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 West Midlands Pension Fund. Both are multi-employer defined benefit schemes.

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

Contributions amounting to £119,066 were payable to the schemes at 31 August 2019 (2018 - £67,814) and are included within creditors.

Teachers' Pension Scheme

The Teachers' Pension Scheme (TPS or scheme) is a statutory, unfunded, defined benefit occupational scheme, governed by the Teachers' Pensions Regulations 2010 (as amended), and the Teachers' Pension Scheme Regulations 2014 (as amended). These regulations apply to teachers in schools and other educational establishments, including academies, in England and Wales that are maintained by local authorities. In addition, teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and, from 1 January 2007, automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and Public Service Pensions Act (2013) and are paid by public funds provided by Parliament. The TPS is an unfunded scheme and members contribute on a 'pay as you go' basis – contributions from members, along with those made by employers, are credited to the Exchequer under arrangements governed by the above Acts.

The Teachers' Pensions Regulations 2010 require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pension increases). From 1 April 2001, the Account has been credited with a real rate of return, 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' Pension Scheme

The latest valuation of the Teachers' Pension Scheme has now taken place, in line with directions issued by HM Treasury and using membership data as at 31 March 2016. As a result of this valuation TPS employers will pay an increased contribution rate of 23.68% from September 2019 (this includes the administration levy of 0.8%). The timing of the implementation is to align its introduction with employers' budget planning cycles. Until then, employers will pay the current rate of 16.48%.

25. Pension commitments (continued)

Scheme Changes

The arrangements for a reformed Teachers' Pension Scheme, in line with the recommendations made by Lord Hutton, in particular the introduction of a Career Average Revalued Earnings (CARE) scheme, were implemented from 1 April 2015.

In December 2018, the Court of Appeal held that transitional protection provisions contained in the reformed judicial and firefighter pension schemes, introduced as part of public service pension reforms in 2015, gave rise to direct age discrimination and were therefore unlawful. The Supreme Court, in a decision made in June 2019, have rejected the Government's application for permission to appeal the Court of Appeal's ruling. The case will now be referred to an Employment Tribunal for a decision regarding the remedy which will need to be offered to those members of the two schemes who were subject of the age discrimination.

HM Treasury are clear that the ruling has implications for the other public service schemes, including the Teachers' Pension Scheme. Those implications are currently being considered and any impact on scheme costs is expected to be looked at within the next scheme valuation, which is currently scheduled to be based on April 2020 data and implemented in April 2023.

The employer's pension costs paid to TPS in the year amounted to £548,000 (2018 - £263,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £574,000 (2018 - £377,000), of which employer's contributions totalled £472,000 (2018 - £324,000) and employees' contributions totalled £ 102,000 (2018 - £53,000). The agreed contribution rates for future years are 17.7 per cent for employers and 5.5 - 12.5 per cent for employees.

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

Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	3.50	3.80
Rate of increase for pensions in payment/inflation	2.15	2.30
Discount rate for scheme liabilities	1.88	2.65

Notes to the Financial Statements
For the Year Ended 31 August 2019

25. Pension commitments (continued)

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.4	21.9
Females	23.7	24.4
<i>Retiring in 20 years</i>		
Males	23.0	24.1
Females	25.6	26.7

Sensitivity analysis

	2019 £000	2018 £000
Discount rate +0.1%	(175)	(230)
Discount rate -0.1%	217	233
Mortality assumption - 1 year increase	219	156
Mortality assumption - 1 year decrease	(212)	(135)
CPI rate +0.1%	159	183
CPI rate -0.1%	(127)	(180)

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

	At 31 August 2019 £	At 31 August 2018 £
Equities	1,428,000	767,000
Government bonds	160,000	87,000
Property	183,000	99,000
Cash and other liquid assets	73,000	45,000
Other bonds	192,000	45,000
Other	245,000	169,000
Total market value of assets	2,281,000	1,212,000

The actual return on scheme assets was £125,000 (2018 - £27,000).

Notes to the Financial Statements
For the Year Ended 31 August 2019

25. Pension commitments (continued)

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

	2019 £	2018 £
Current service cost	(614,000)	(361,000)
Past service cost	(90,000)	-
Interest income	51,000	-
Interest cost	(152,000)	(72,000)
Total amount recognised in the Statement of Financial Activities	(805,000)	(433,000)

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

	2019 £	2018 £
At 1 September	4,551,000	3,732,000
Conversion of academy trusts	1,510,000	805,000
Transferred out on existing academies leaving the trust	-	361,000
Current service cost	614,000	-
Interest cost	152,000	101,000
Employee contributions	102,000	53,000
Actuarial losses	-	(484,000)
Actuarial losses/(gains)	994,000	(482,000)
Benefits paid	(96,000)	(17,000)
Past service costs	90,000	-
At 31 August	7,917,000	4,069,000

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

	2019 £	2018 £
At 1 September	1,678,000	851,000
Conversion of academy trusts	-	440,000
Return on plan assets (excluding net interest on the net defined pension liability)	-	(2,000)
Interest income	51,000	29,000
Employer contributions	472,000	324,000
Employee contributions	102,000	53,000
Benefits paid	(96,000)	(17,000)
At 31 August	2,207,000	1,678,000

26. Operating lease commitments

At 31 August 2019 the Academy had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2019 £	2018 £
Other		
Not later than 1 year	3,658	5,767
Later than 1 year and not later than 5 years	5,340	8,845
	<u>8,998</u>	<u>14,612</u>

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.

28. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses disclosed in note 13.

Notes to the Financial Statements
For the Year Ended 31 August 2019

29. Teaching school trading account

	2019 £	2019 £	2018 £	2018 £
Income				
Direct income				
Other income	60,620		66,000	
Total income		60,620		66,000
Expenditure				
Direct expenditure				
Direct staff costs	46,317		37,835	
Other direct costs	4,016		22,730	
Total direct expenditure	50,333		60,565	
Total expenditure		50,333		60,565
Transfers between funds excluding depreciation		-		(5,295)
Surplus from all sources		10,287		140
Teaching school balances at 1 September 2018		140		-
Teaching school balances at 31 August 2019		10,427		140