

**The Arthur Terry Learning Partnership**

Trustees Report and Financial Statements

For the Year Ended 31 August 2015

**The Arthur Terry Learning Partnership  
(A company limited by guarantee)**

**Contents**

---

	Page
<b>Reference and administrative details of the academy, its trustees and advisers</b>	1 - 2
<b>Trustees' report</b>	3 - 13
<b>Governance statement</b>	14 - 17
<b>Statement on regularity, propriety and compliance</b>	18
<b>Trustees' responsibilities statement</b>	19
<b>Independent auditors' report</b>	20 - 21
<b>Independent reporting accountant's assurance report on regularity</b>	22 - 23
<b>Statement of financial activities</b>	24
<b>Balance sheet</b>	25
<b>Cash flow statement</b>	26
<b>Notes to the financial statements</b>	27 - 48

**The Arthur Terry Learning Partnership**  
(A company limited by guarantee)

**Reference and Administrative Details of the Multi academy trust, its Members/ Trustees and Advisers  
For the Year Ended 31 August 2015**

---

<b>Members</b>	Sir Christopher Stone (resigned 31 October 2015) Mr Timothy Sewell Mr Alan Wharton Mr William Davis Mrs Elizabeth Jackson (resigned 6 July 2015) Mr Andrew Wood Mr Paul Wadsworth Mrs Sarah Dawson Mr John Vickers (appointed 6 July 2015) Mr Jonathan Brake (appointed 6 July 2015)
<b>Trustees</b>	Mr Alan Wharton, Chair of Audit and Finance Committee <sup>1</sup> Mr William Davis, Vice Chair of Trustees Mrs Elizabeth Jackson (resigned 6 July 2015) Mr Andrew Wood <sup>1</sup> Mr Paul Wadsworth <sup>1</sup> Mrs Sarah Dawson Mr Timothy Sewell, Chair of Trustees Mr Andrew Staples <sup>1</sup> Mrs Rhona Barnett Mr Ashley Innis Mrs Sue Burke Mrs Maxine Rowley Mr John Vickers (appointed 6 July 2015) Mr Jonathan Brake (appointed 6 July 2015) Sir Christopher Stone, Chief Executive (resigned 31 October 2015) Miss Heather Morris (appointed 5 October 2015)
	<sup>1</sup> member of the Audit Committee
<b>Company registered number</b>	07730920
<b>Principal and registered office</b>	Kittoe Road Sutton Coldfield West Midlands B74 4RZ
<b>Chief Executive and Accounting Officer</b>	Sir Christopher Stone (resigned 31 October 2015)
<b>Interim Chief Executive and Accounting Officer</b>	Sally Taylor (appointed 1 November 2015)
<b>Finance Director</b>	Teresa Phipps
<b>Independent auditors</b>	Dains LLP 15 Colmore Row Birmingham B3 2BH
<b>Bankers</b>	Lloyds Bank Plc 9 Birmingham Road Sutton Coldfield West Midlands B72 1QA

**The Arthur Terry Learning Partnership  
(A company limited by guarantee)**

**Reference and Administrative Details of the Multi academy trust, its Members/ Trustees and Advisers  
For the Year Ended 31 August 2015**

---

**Administrative details (continued)**

<b>Solicitors</b>	Stone King LLP 16 St John's Lane London EC1M 4BS
-------------------	---

**The Arthur Terry Learning Partnership  
(A company limited by guarantee)**

**Trustees' Report  
For the Year Ended 31 August 2015**

---

The Trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of The Arthur Terry Learning Partnership (the multi academy trust) for the period 1 September 2014 to 31 August 2015. The Trustees confirm that the Annual report and financial statements of the multi academy trust comply with the current statutory requirements, the requirements of the multi academy trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

The trust operates four primary academies, and two secondary academies across Birmingham. Its academies have a combined pupil capacity of 3,656 and had a roll of 3,638 in the school census in January 2015.

**Structure, governance and management**

**a. Constitution**

The multi academy trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the multi academy trust. The trustees of The Arthur Terry Learning Partnership Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Arthur Terry Learning Partnership.

Details of the trustees who served during the year 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.

**c. Method of recruitment and appointment or election of Trustees**

The Articles provide that:

- The 7 Members are first directors (Article 50)
- Up to 6 Chairs of local governing bodies are Academy directors (Article 51 or 52)
- The Chief Executive will be a director
- A minimum of 2 parent directors (Articles 53 – 56D)

The ultimate management of the academy is the responsibility of the Trustees who are elected and co opted under the terms of the Articles of Association.

The approach to appointing new Trustees would depend upon the nature of the vacancy, as outlined in the Articles. To date there has been no requirement to appoint new Trustees. The Trust considers the appropriate skills set of prospective Trustees to enable effective leadership of Trust responsibilities.

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

The training and induction provided for new trustees will depend upon their existing experience. Where necessary an induction will provide training on educational, safeguarding, legal and financial matters. All new trustees are given the opportunity to meet with staff and students. All trustees are provided with access to policies, procedures, minutes, accounts, budgets plans and other documents that they will need to undertake their role as trustees and directors of the Charitable company. As there is normally expected to be only a small number of new trustees each year, induction tends to be informal and is tailored specifically to the individual. Each term a joint training event is held for all senior staff, trustees and local governing body members.

The Academy Insurance indemnifies the Governors. This policy is available for inspection on request.

#### **e. Organisational structure**

The charitable company has established a structure to enable its efficient running. The structure consists of six levels:

- a) Members
- b) Board of Trustees and Finance & Audit Committee
- c) Local Governing Body for each of the schools
- d) Leadership Group for each of the schools
- e) Chief Executive, who is the Accounting Officer for the Trust.
- f) Central support team including a Finance Director, HR Director and Business Director.

The trustees are responsible for setting general policy, the strategic five year business plan, the budget, monitoring the financial status of the trust, estates, 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 on a regular basis.

The Local Governing Bodies 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 members. At each academy there is a Headteacher and a Leadership Group. Each Local Governing Body appoints a Chair who will become a trustee of the company; the individuals at the date of this report are Mr. Staples, Mr Innis, Mrs Dawson and Mrs Barnett, Mrs Rowley and Mrs Burke.

The Audit and Finance Committee is a committee of the Trust Board. The Audit and Finance Committee assists the Trust in fulfilling its oversight responsibilities with particular reference to strategic financial planning, monitoring and reporting, internal control, risk management, internal and external audit. All other matters are dealt with by the Trust Board.

Each Local Governing Body will appoint two committees to be responsible for 'Managing the Organisation' and 'Leading, Learning & Teaching'. Minutes from these committees are part of the regular reporting to the Board of Trustees.

#### **f. Connected organisations, including related party relationships**

##### **Teaching Schools Alliance**

The Arthur Terry School was designated a cohort 1 Teaching School in July 2011. In July 2015 the school was informed that it had successfully been re-designated as a result of a highly successful 4 year tenure. The Alliance is made up of twenty five schools cross phase which includes two Special Schools. Three local HEIs are named strategic partners although our strongest links are undoubtedly with Birmingham City University (BCU). The TSA spreads across five local authorities [Birmingham, Staffordshire, Solihull, Walsall and

Warwickshire]. At the heart of the alliance is a multi-academy trust [The Arthur Terry Learning Partnership] made up of two secondary schools and four Primary Schools. The over-arching goal of The Arthur Terry National Teaching School is, through innovative and collaborative work, to develop outstanding educators that will have impact on student outcomes.

The main priorities as outlined in the development plan are:

- to develop closer working relationships within Alliance schools to ensure the ATNTS is meeting local needs
- to be at the heart of School Improvement within the ATLP through our network of SLEs and network of outstanding practitioners
- to ensure that our highly successful ITT programme continues to support recruitment across the TSA/ATLP and continues to produce an outstanding generation of classroom practitioners

Our work is wide ranging and includes:

### **School-to-School Support**

1. Mathematics SLE has supported three schools one day a week since designation in cohort 1 impacting on teaching profiles leading to improved student outcomes.
2. Primary SLEs were deployed one day a week for an academic year supporting leadership in Mathematics at Mere Green Combined School, and will be working with Slade in a similar role in 2015-16.
3. Primary SLE seconded half a day a year from St. Michael's working on ITE and CPD programmes and developing English and Mathematics hubs.
4. SLE support in Mathematics, Performing Arts, English and SEND at The Coleshill School during 2014-15. Improved student outcomes reflected in the school's GCSE results in August 2015. Support continues in Mathematics and Literacy in 2015-16.
5. SLE English, Mathematics and Geography support at Stockland Green School.
6. NLE weekly support to each Head teacher through The Arthur Terry Learning Partnership [multi-academy trust].
7. SLE support in a range of schools beyond TSA (Parkview, Bishop Vesey, Cardinal Wiseman, Greenwood Academy) and are establishing school and subject improvement networks at EYFS, Primary English and Secondary English and Secondary Maths.

### **Initial Teacher Education**

1. The Arthur Terry National Teaching School was designated a School Centred Initial Teacher Training centre in July 2012.
2. Cohort 3 [45 trainees] completed School led training at Arthur Terry in July 2015, all achieving QTS at good or outstanding with 97% of the trainees gaining employment, 55% in schools within the ITE partnership.
3. Cohort 4 due to complete in July 2016 has grown to sixty-one trainees across all routes (35 SCITT; 26 School Direct).
4. 50 of the trainees are secondary, 11 are primary.
5. The ITE partnership comprises 24 schools (14 secondary, 10 primary) with the vision of school improvement through developing the next generation of outstanding NQTs.
6. The Arthur Terry SCITT was judged to be good [Ofsted March, 2014; see Ofsted report]. Trainee outcomes was judged as good; quality of training good; and leadership and management outstanding.
7. SLEs contribute to the delivery of workshops on SCITT and School Direct programmes.

### **Professional development and Talent Management**

1. A suite of leadership programmes is a successful feature of our CPD provision: Gateway to Leadership aimed at aspiring Middle Leaders; Leading Change [developed in collaboration with Wilson Stuart Special School and Hamstead Hall Academy] aimed at developing middle leadership; Aspire to Headship [developed in collaboration with Birmingham City University and Fusion Leadership] aimed at Senior Leaders looking to gain a first Headship.
2. Twelve OLEVI trained facilitators to deliver the Outstanding Teacher Programme [OTP]. Also two trained facilitators of the OLEVI Power of Coaching programme. Leading Learning is a newly developed strand of our provision which is aimed at teachers who need to refine and refresh their pedagogy.
3. Working with 3 other local teaching schools (Streetly, Sutton Park and Plantsbrook) we have developed Subject Immersion Programmes in Maths, English, Science and Geography.
4. Our Annual Teaching School summer conference was also a successful joint enterprise with the SNAP group and attracted 120 teachers from across the West Midlands.
5. We have worked with a number of Cohort 2, 3 and 4 Teaching Schools across the West Midlands to support their initial applications and share best practice on designation.
6. Outstanding Teaching Assistant Programme, aimed at improving Teaching Assistants understanding of how children learn effectively, also continues to attract good numbers of TAs from across the alliance.
7. Arthur Terry has been designated a Training School by Stonewall, and will be advising a range of hard-to-reach schools across Birmingham, Warwickshire and Staffordshire.
8. A successful bid to the NCTL with the aim of retaining recently qualified teachers in urban schools has led to 4 of our alliance schools (Slade, Brookvale, Hawthorn, Warren Farm) developing their own leadership programme tailored specifically to their own circumstances.

### **Research and development**

1. Thirty colleagues across the TSA engaged with Masters level research through Birmingham City University [MTL and MEL].
2. Leading Change and Aspire to Headship programmes have been aligned to access masters credits through BCU.

### **Childrens Centres**

Arthur Terry School hold the Governance and Strategic lead for five Children Centres within the Sutton Coldfield locality. This represents just over 5,000 under 5's.

The five centres work closely together to offer both universal and targeted services to families.

There is a recognition of the importance of early education and school readiness. Our Children Centre teacher who is a Specialist Leader in Education (SLE) works across over forty nurseries in Sutton Coldfield to lead on improving early education through a consultancy based process.

Safeguarding of our most vulnerable members within the ATLP is a priority. The Family Support Team offers early help and support. Our target groups include young parents, those from an ethnic minority, lone parents and those who live in areas of deprivation around the locality.

The Children Centres were rated 'Good' by Ofsted in January 2014.

## **The Coleshill School**

The Arthur Terry Learning Partnership works in partnership with The Coleshill School, who have been an academy trust since August 2011. The Secretary of State has formally approved The Coleshill School to formally join the ATLP on 1st September 2015. Since October 2013 The Coleshill School and ATLP have developed a strong and fruitful relationship by working closely together to improve the achievements of young people. ATLP has provided a range of specialised support and intervention in key areas of the core curriculum and senior and middle leadership. From 2014-15 the level of academic achievement at GCSE has increased by 15% to 61% of students achieving 5 or more A\* - C grades, including English and Mathematics. This is significant progress and evident of the impact that support and intervention from ATLP has provided. In September 2015, the Business Director of The Coleshill School will undertake the role of Finance Director for the ATLP on a full time permanent basis.

### **g. Risk management**

The Trustees have assessed the major risks to which the multi academy trust is exposed, in particular those related to the operations and finances of the multi academy trust, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

## **Objectives and Activities**

### **a. Objects and aims**

The Company's objects are specifically restricted to the following:

- (a) Advancing for the public benefit education in the United Kingdom ('the area of benefit'), in particular but without prejudice to the generality of the foregoing by
  - (i) Establishing, maintaining, carrying on, managing and developing a school offering a broad and a balanced curriculum,
  - (ii) Providing childcare facilities and adult training to develop the capacity and skills of parents to be and parents with children primarily but not exclusively under five in such a way that they are better able to identify and help meet the needs of children,
- (b) Promoting in the area of benefit the physical, intellectual and social development of primarily but not exclusively children under five especially those who are socially and economically disadvantaged,
- (c) Developing the capacity and skills of those inhabitants of the area of benefit who are socially and economically disadvantaged in such a way that they are better able to identify, and help meet, their needs and to participate more fully in society,
- (d) Relieving poverty among the inhabitants of the area of benefit,
- (e) Relieving unemployment in the area of benefit for the benefit of the public in such ways as may by thought fit, including assistance to find employment,
- (f) Advancing the health of the inhabitants of the area of benefit
- (g) Providing recreational and leisure time facilities in the interest of social welfare for the inhabitants of the area of benefit especially those who have need of such facilities by reason of their youth, age, infirmity or disablement, poverty or social and economic circumstances,
- (h) To promote for the benefit of the inhabitants of West Midlands and the surrounding area the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity, or disablement, financial hardship or social and economic circumstances or for the public at large in the interests of social welfare and with the object of improving the condition of life of the said inhabitants.

### **b. Objectives, strategies and activities**

The Academy's Strategic Business Plan describes our objectives and aims. Our plans focus upon ensuring The Arthur Terry Learning Partnership remains a centre for academic excellence at all levels. Leaders and managers at all levels are encouraged to innovate in response to a continually changing educational climate and an absolute priority remains to ensure that all children feel safe in an environment where the discipline is firm but fair yet where student voice is heard. Best practice in teaching and learning is widely shared in order to ensure that all children thrive and succeed and make better than expected progress.

In setting the objectives, the trustees have given careful consideration to the Academy's general guidance on Public benefit and in particular to its supplementary public benefit guidance on advancing education.

### **c. Public benefit**

The main objectives of the Trust are summarised below:

- To ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- To raise the standard of educational achievement of all pupils;
- To improve the effectiveness of the Trust by keeping the curriculum and organisational structure under continual review;
- To provide value for money for the funds expended to maintain close links with industry and commerce; and
- To conduct the Trusts business in accordance with the highest standards of integrity, probity and openness.

To ensure that standards are continually raised the Trust, The Local Governing Bodies and the Leadership Groups;

- Operate a robust quality assurance calendar which monitors the quality of teaching and learning and includes book trawls
- Is visited and scrutinised and supported by a School Improvement Partner
- Undertake a rigorous review of attainment using RAISEONLINE and FFTD live to measure the progress of students, paying particular regard to their achievement on entry and levels of progress secured.

The Trust recognises that equal opportunities should be an integral part of good practice within the workplace. The Trust aims to establish equal opportunity in all areas of its activities including creating a working environment in which the contribution and needs of all people are fully valued.

Lifts, ramps and disabled toilets are installed and door widths are adequate to enable wheelchair access to all the main areas of the Trust. The policy of the Trust is to support recruitment and retention of students and employees with disabilities. The Trust does this by adapting the physical environment by making support resources available and through training and career development.

## Strategic report

### Achievements and performance

#### a. Review of activities

All ATLP schools met the 2014-2015 national floor standards for pupil achievement and progress

#### Primary

- **Key Stage 2** – Achievement at Level 4 compares favourably with national averages (2015 prov. data) with attainment in reading and writing being particularly strong. Slade have continued their three year trend of improvement, however their Mathematics results dipped, resulting in the combined level 4 falling below national average. Level 5 and Level 6 attainment was more variable across schools and subjects, with two of the schools achieving well above national average in level 6 writing and Mathematics.
- **Expected Progress Key Stage1–2** – All schools were in line or above, the national median for expected progress in reading and writing and all but one for progress in Mathematics.
- **Key Stage 1** -All schools are in line or above national averages in reading, writing and mathematics at level 2. Year 1 **Phonics** screening was above national in three of the schools, with the other in line. **EYFS** (GLD) was above national average in all schools.
- Hill West school's results at both key stages 1 and 2 were above national averages in all areas

#### Secondary

##### GCSE

- **5 A\*–C** including English and Mathematics: Arthur Terry 79%, significantly above national average (national 2014 55%) and in line with their expected target. Stockland Green 48%, a 5% increase from 2014. Both schools are in line or above national % A\*-C in English. In Mathematics two schools are above national % A\*-C, with Stockland Green improving by 8% from 2014.
- **EBACC** (national 2014 24%) Arthur Terry 38%, Stockland Green 8%. These results will continue to rise year on year as key stage 4 curriculum changes are further implemented.
- **Value Added Best 8** including English and Mathematics continue to rise, Arthur Terry 1021, Stockland Green 1012.7.
- **Progress:** expected and more than expected progress in English was above national for all three schools. Expected progress in Mathematics was in line with the national median for one school, with Arthur Terry well above. More than expected progress in Mathematics has improved since last year in all schools, with Arthur Terry above national.

##### A level

- **A\*–B:** Arthur Terry - 40%, (national 2015 52.8%). **A\*–C:** Arthur Terry 69%, (national 77%). **A\*–E:** Arthur Terry - 99%, generally in line with national 98%. Improved on 2014 performance, with results in line with their set targets that were based on the comprehensive makeup of the cohort.
- Overall average grade has improved, Arthur Terry C, (national 2014 C )
- It is likely that value added progress will be in line with national average.

b. Key financial performance indicators

Priority	KP1	Time period
P1	<b>Each School to be judged Good or Outstanding by August 2016</b> 2 schools: Outstanding 3 schools: Good 1 school: SM to RI On target	August 2016
P1	<b>Progress of all results improve year on year</b> Achieved	Annual
P1	<b>To exceed national floor targets each year in the key indicators set by the Department for Education (DfE)</b> Achieved	Annual
P1	<b>Maintain overall attendance levels above national average</b> Achieved	Annual
P1	<b>Demonstrate an annual reduction in fixed term exclusions</b> Achieved	Annual
P2	<b>The percentage of lessons taught at Good or Outstanding increases annually based on performance management observations</b> Achieved	Annual
P2	<b>The percentage of staff sickness absenteeism is maintained below 4%</b> Achieved – currently average of 1.96%	Annual
P3	<b>All schools to achieve governor mark by 2016</b> One school achieved. Two schools pursuing. On target.	September 2016
P3	<b>All schools to achieve an Ofsted Good or Outstanding rating for Leadership</b> 2 schools: Outstanding 4 schools: Good Achieved	August 2017
P4	<b>All schools to achieve an Ofsted Good or Outstanding rating for Leadership</b> 2 schools: Outstanding 4 schools: Good Achieved	September 2016
P4	<b>Maintain within academic year total number of students on roll. Schools to report number of within year leavers and joiners</b> Achieved	On-going
P4	<b>The ATLP aims to achieve an unqualified audit opinion annually</b> Achieved	Annual
P4	<b>All schools to have a minimum 1% budget share as contingency</b> Achieved	Annual

**Financial Performance Indicators**

• **Maintaining a balanced budget at year-end**

The Trustees monitor the financial position on a half-termly basis by reviewing financial year-end projections. 2014-15 secured a balanced budget with revenue reserves of £2,460,000.

• **Benchmarking expenditure against other similar organisations**

Benchmarking information provided by the Department for Education will be reviewed by trustees on an annual basis to make comparative judgements on a £ spend per student basis. Trustees have continued to reduce staffing costs as opportunities arise to reduce the percentage of income allocated to staffing resources.

• **Maintaining current level of reserves**

The Trust has maintained a similar level of reserves at the end of this accounting period. The trust will be funding emergency works in 2015-16; expected to total approximately £900,000. This will impact on maintaining the level of reserves in forthcoming years.

• **Achieving value for money through effective financial management procedures**

The Trust complies with the requirements of the Academies Financial Handbook. Visits by an independent external Responsible Officer have verified procedures of financial management and internal control to achieve value for money..

• **Maintain a positive cash flow with sufficient cash balances to cover monthly expenditure**

Monitoring of cash flow throughout the year has secured sufficient cash balances to ensure cash balances to cover monthly expenditure.

**c. Going concern**

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

**Financial review**

The majority of the Trust's income is received from the Department for Education via the Education Funding Agency in the form of the General Annual Grant (GAG); the use of which is restricted to particular purposes i.e. the objectives of the Academy Trust. The GAG received during the period covered by this report and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

Priorities identified in the ATLP Business Plan are as follows:-

- Achievement in our academies will build on the previous personal best with year on year improved progress for students of all abilities across the ATLP.
- Recruitment, training and development of all staff will result in delivery of an outstanding provision to all of our students.
- Leadership & governance across the ATLP will be outstanding and succession planning effective in securing leaders of high calibre across the Learning Partnership
- A sustainable educational and business plan will be in place that supports the academies to meet their core objective of delivering outstanding education for every child.

The Arthur Terry School is a registered Teaching School and has received £15,263 income during 2014-15.

Since becoming a multi academy trust successful bids to the Academies Capital Maintenance Fund secured £292,200 for three primary school projects.

On conversion on 1st April 2012, all of the fixed assets of the former schools were transferred to the new Academy Trust, and are shown as restricted asset funds. The balance sheet restricted asset fund is reduced by depreciation charges over the expected useful life of the assets concerned.

The combined General Restricted Fund and Unrestricted Fund show an operating deficit, before the actuarial losses on defined benefit pension schemes and after using revenue funding for capital purchases, of £90,000. This small operating deficit is the result of budget control procedures, which have been embedded in the Trust's daily financial management in accordance with the Academies Financial Handbook. The Trust has recently appointed a Finance Director; significant improvements to budget forecasting, monitoring and planning are now

embedded across the Trust.

#### **a. Reserves policy**

The level of reserves held takes into account the nature of income and expenditure streams, the need to match them with commitments, including future capital projects and the nature of reserves. The Trustees will keep the level of reserves under review.

Reserves at the end of the period are £42,729,000 but £40,269,000 are represented by fixed assets and the Local Government Pension Scheme deficit.

The restricted fund reserves will be used to fund current commitments, future building projects as well as expenditure required to implement the Aims and Objectives of the Academy Trust as outlined in the Business Plan.

Included in the carry forward revenue reserves balance of £2,460,000 are funds totalling £1,250,000 which the Trustees have designated for future capital projects. These amounts are broken down as follows:

Stockland Green School	£750,000
Slade Primary School	£200,000
Hill West Primary School	£300,000

#### **b. Material investments policy**

The Trust does not hold any investments. Overnight or 7 day deposits would be considered if appropriate and cash flow allows. During the accounting period no overnight or 7 day deposits have been made. Most of the academy's income is obtained from the EFA in the form of recurrent grants. The Trust makes significant investment in providing resources appropriate to the aims and objectives of the Trust.

#### **c. Principal risks and uncertainties**

The Trustees charge each Local Governing Body to conduct an annual review of its Risk Register to consider whether risk review procedures cover fundamental strategic and reputational, operational, compliance, financial and other risks to achieving the school's objectives.

- 'Requiring Improvement' or 'Special Measures' Ofsted outcome
- Fall in students numbers
- Breach of Data Protection
- Litigation and legislative changes
- Pension deficit
- Fall in levels of academic achievement
- Failure to met academic objectives
- Detrimental media publicity
- Failure of internal financial controls
- Health and safety of students and staff
- Weak governance
- Business continuity

The Trust's Business Plan states the strategic short and long term expectation and aims for each of the schools within the Trust.

#### **Plans for future periods**

##### **a. Future developments**

The Trust has already expanded to incorporate four primary schools. This has enabled all schools to share best

**The Arthur Terry Learning Partnership  
(A company limited by guarantee)**

**Trustees' Report (continued)  
For the Year Ended 31 August 2015**

---

practice across the key stages. The Trust will incorporate an additional secondary school, The Coleshill School, with effect from 1st September 2015.

The Trust will continue striving to improve the levels of performance of its students at all levels and will continue its efforts to ensure all students are secure in their next steps on leaving school with regard to employment or continuing in training or formal education.

**Funds held as custodian trustee on behalf of others**

Funds held as custodian Trustee on behalf of others include, Toy Library and Cluster.

**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 multi 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 multi 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 multi academy trust's Equal opportunities policy, the multi 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 multi academy trust's offices.

**Disclosure of information to auditors**

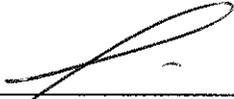
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable company's auditors in connection with preparing their report and to establish that the charitable company's auditors are aware of that information.

**Auditors**

During the year Dains LLP were reappointed as auditors. Dains LLP have expressed their willingness to continue in office as auditors and will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report, incorporating the Strategic report, was approved by order of the board of trustees, as the company directors, on 7 December 2015 and signed on the board's behalf by:

  
\_\_\_\_\_  
**Mr Timothy Sewell**  
**Chair of Trustees**

**The Arthur Terry Learning Partnership  
(A company limited by guarantee)**

**Governance Statement**

---

**Scope of Responsibility**

As accounting officer, we acknowledge we have overall responsibility for ensuring that The Arthur Terry Learning Partnership 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, 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 The Arthur Terry Learning Partnership 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 Trustees' responsibilities statement. The board of trustees has formally met 7 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Timothy Sewell, Chair of Trustees	7	7
Sir Christopher Stone, Chief Executive (resigned 31 October 2015)	7	7
Mr Alan Wharton, Chair of Audit and Finance Committee	6	7
Mr Andrew Staples	7	7
Mrs Sarah Dawson	7	7
Mrs Elizabeth Jackson (resigned 6 July 2015)	6	6
Mr Paul Wadsworth	6	7
Mr Ashley Innis	7	7
Mr William Davis, Vice Chair of Trustees	7	7
Mrs Rhona Barnett	6	7
Mr Andrew Wood	7	7
Mrs Sue Burke	7	7
Mrs Maxine Rowley	7	7
Mr John Vickers (appointed 6 July 2015)	-	1
Mr Jonathan Brake (appointed 6 July 2015)	1	1

Miss Heather Morris was appointed as a Trustee on 5 October 2015.

**Governance**

A major challenge that confronted the board during the accounting period was the need for emergency works to be undertaken at one of the primary school sites. The works necessitated the closure of a block during the summer period, which will extend into the Autumn term. Decisions surrounding continuation of pupils' education and safety was paramount and at the forefront of all priorities. The partnership has managed to secure teaching space on another school site within the trust to ensure all priorities can be met.

**Governance reviews:**

During the reporting period the board enjoyed the benefits of commissioning of external and independent support, helping to review governance throughout the partnership. Work was undertaken with the trustees to review governance documents, processes, recruitment and future programmes of self-evaluation. To ensure consistency in governance standards across the trust all schools comply with standing agenda items. Trustees have also embraced a self-evaluation based on key high priorities of multi academy trusts. e.g. vision, ethos, strategy, governance structures, effectiveness and conduct, engagement, accountability and outcomes for students.

The Audit Committee is a sub-committee of the main Trust Board. Its purpose is to assist the Trust in fulfilling its oversight responsibilities with particular reference to financial reporting, internal control, risk management and external audit; all other matters are dealt with by the Trust Board.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr Alan Wharton	5	5
Mr Andrew Wood	5	5
Mr Paul Wadsworth	1	5
Mr Andrew Staples	5	5
Sir Christopher Stone	3	5
Vanessa Vann (appointed June 2015)	1	1

### **Review of Value for Money**

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

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

- Continuing to develop strategies to raise educational outcomes for its children and young people by extending its partnership working, through collaboration by sharing skills and expertise cross curricular and cross phase (primary and secondary). The Trust has benefited from extensive continuing professional development ranging from changes to curriculum, improving student attainment, assessment, behaviour for learning, performance management and performance related pay. All of these areas of training have been provided in-house to achieve best value. This has two-fold value for money benefits; financial saving and development and investment in our own staff.
- The Trust's shared appointment of a Finance Director from another academy trust created a reduction in staffing, thus a financial saving to the Trust. This appointment has given the Accounting Officer, and the Trust Board increased confidence in the quality assurance of financial management and stringent systems of internal control. The extended responsibility of the previous Audit Committee, now known as the Audit and Finance Committee provides an additional 'layer' of financial monitoring and oversight; this has undoubtedly strengthened the consistency and challenge to local governing bodies. Governors, Headteachers and Finance staff across the whole partnership have continued to benefit from in-house training to increase the consistency of financial management and strategic long term budget planning. The full time appointment of the Finance Director with effect from September 2015 will allow us to further review operations to maximise financial benefit, value for money and minimise risk to the Trust.
- The partnership has invested additional resourcing to provide central services and expertise within business management and human resources management. The two full time posts provide central services for all six schools within the partnership, again providing consistency, expertise and financial savings. Tender of the catering contract for all schools within the partnership will result in considerable financial savings and an improved healthy catering service for all of our children, young people and staff. The Trust is planning to review other options for collective purchasing of goods and services to improve value for money.

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of multi academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Arthur Terry Learning Partnership for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The board of trustees has reviewed the key risks to which the multi academy trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the multi academy trust's significant risks, that has been in place for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

### **The Risk and Control Framework**

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

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

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

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

- testing of the purchasing systems;
- testing of the payroll systems;
- testing of the income systems;
- review of the bank reconciliation processes

On an annual basis, the auditors report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

The auditor has delivered the schedule of work as planned. There have been no material control issues arising as a result of the auditor's additional work.

**Review of Effectiveness**

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

- the work of the external auditors;
- the work of the Finance Managers and the Finance Director within the multi academy trust who have responsibility for the development and maintenance of the internal control framework.

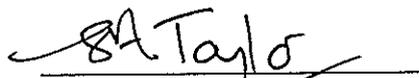
The accounting officer has been advised of the implications of the result of their review of the system of internal control by the Audit and Finance Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees on 7 December 2015 and signed on its behalf, by:



---

**Mr Timothy Sewell  
Chair of Trustees**



---

**Mrs Sally Taylor  
Interim Chief Executive and Accounting Officer**

**The Arthur Terry Learning Partnership  
(A company limited by guarantee)**

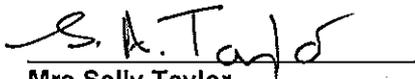
**Statement on Regularity, Propriety and Compliance**

---

As accounting officer of The Arthur Terry Learning Partnership I have considered my responsibility to notify the multi academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the multi academy trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2014).

I confirm that I and the multi academy trust board of trustees are able to identify any material, irregular or improper use of funds by the multi academy trust, or material non-compliance with the terms and conditions of funding under the multi academy trust's funding agreement and the Academies Financial Handbook (2014).

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

  
Mrs Sally Taylor  
Interim Chief Executive and  
Accounting Officer

Date: 7 December 2015

**The Arthur Terry Learning Partnership  
(A company limited by guarantee)**

**Trustees' Responsibilities Statement  
For the Year Ended 31 August 2015**

---

The Trustees (who act as governors of The Arthur Terry Learning Partnership and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report (including the Strategic report) and the financial statements in accordance with the Annual Accounts Direction issued by the Education Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees on 7 December 2015 and signed on its behalf by:

  
\_\_\_\_\_  
**Mr Timothy Sewell**  
Chair of Trustees

We have audited the financial statements of The Arthur Terry Learning Partnership for the year ended 31 August 2015 which comprise the statement of financial activities, the balance sheet, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

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

### **Respective responsibilities of Trustees and auditors**

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable multi academy trust for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

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

**The Arthur Terry Learning Partnership**  
(A company limited by guarantee)

**Independent Auditors' Report to the Members of The Arthur Terry Learning Partnership**

---

**Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Trustees' report, incorporating the Strategic report, for the financial year for which the financial statements are prepared is consistent with the financial statements.

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or 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.



Andrew Morris FCA (Senior statutory auditor)

for and on behalf of

**Dains LLP**

Statutory Auditors  
Chartered Accountants

Birmingham  
7 December 2015

**The Arthur Terry Learning Partnership  
(A company limited by guarantee)**

**Independent Reporting Accountants' Assurance Report on Regularity to The Arthur Terry Learning Partnership and the Education Funding Agency**

---

In accordance with the terms of our engagement letter dated 22 August 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Arthur Terry Learning Partnership during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**Respective responsibilities of The Arthur Terry Learning Partnership's accounting officer and the reporting accountant**

The accounting officer is responsible, under the requirements of The Arthur Terry Learning Partnership's funding agreement with the Secretary of State for Education dated 1 May 2012, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2014 to 2015. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament 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 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

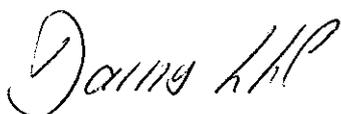
**The Arthur Terry Learning Partnership  
(A company limited by guarantee)**

**Independent Reporting Accountants' Assurance Report on Regularity to The Arthur Terry Learning Partnership and the Education Funding Agency (continued)**

---

### **Conclusion**

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



**Dains LLP**

Statutory Auditors  
Chartered Accountants

Birmingham

7 December 2015

The Arthur Terry Learning Partnership  
(A company limited by guarantee)

Statement of Financial Activities  
(Incorporating Income and Expenditure Account and Statement of Total Recognised Gains and Losses)  
For the Year Ended 31 August 2015

	Note	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
<b>Incoming resources</b>						
Incoming resources from generated funds:						
Voluntary income	2	205	-	-	205	116
Activities for generating funds	3	106	299	-	405	135
Investment income	4	4	-	-	4	5
Incoming resources from charitable activities:						
Funding for the multi academy trust's educational operations	5	393	20,776	411	21,580	22,073
<b>Total incoming resources</b>		<b>708</b>	<b>21,075</b>	<b>411</b>	<b>22,194</b>	<b>22,329</b>
<b>Resources expended</b>						
Charitable activities:						
Multi academy trust's educational operations	6	501	21,023	997	22,521	21,970
Governance costs	7	-	45	-	45	91
<b>Total resources expended</b>	8	<b>501</b>	<b>21,068</b>	<b>997</b>	<b>22,566</b>	<b>22,061</b>
<b>Net incoming / (outgoing) resources before transfers</b>		<b>207</b>	<b>7</b>	<b>(586)</b>	<b>(372)</b>	<b>268</b>
Transfers between funds	20	-	(304)	304	-	-
<b>Net income / (expenditure) for the year</b>		<b>207</b>	<b>(297)</b>	<b>(282)</b>	<b>(372)</b>	<b>268</b>
Actuarial gains and (losses) on defined benefit pension schemes		-	(537)	-	(537)	(588)
<b>Net movement in funds for the year</b>		<b>207</b>	<b>(834)</b>	<b>(282)</b>	<b>(909)</b>	<b>(320)</b>
Total funds at 1 September 2014		1,548	(4,222)	46,312	43,638	43,958
<b>Total funds at 31 August 2015</b>		<b>1,755</b>	<b>(5,056)</b>	<b>46,030</b>	<b>42,729</b>	<b>43,638</b>

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

The statement of financial activities includes all gains and losses recognised in the year.

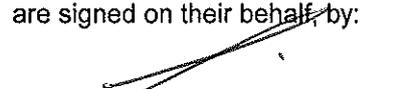
The notes on pages 27 to 48 form part of these financial statements.

The Arthur Terry Learning Partnership  
(A company limited by guarantee)  
Registered number: 07730920

Balance Sheet  
As at 31 August 2015

	Note	£000	2015 £000	£000	2014 £000
<b>Fixed assets</b>					
Tangible assets	16		46,082		46,312
<b>Current assets</b>					
Debtors	17	571		478	
Cash at bank and in hand		3,016		2,807	
		<u>3,587</u>		<u>3,285</u>	
<b>Creditors: amounts falling due within one year</b>	18	<u>(1,133)</u>		<u>(895)</u>	
<b>Net current assets</b>			<u>2,454</u>		<u>2,390</u>
<b>Total assets less current liabilities</b>			<u>48,536</u>		<u>48,702</u>
<b>Creditors: amounts falling due after more than one year</b>	19		<u>(46)</u>		<u>(13)</u>
<b>Net assets excluding pension scheme liability</b>			<u>48,490</u>		<u>48,689</u>
Defined benefit pension scheme liability	26		<u>(5,761)</u>		<u>(5,051)</u>
<b>Net assets including pension scheme liability</b>			<u><u>42,729</u></u>		<u><u>43,638</u></u>
<b>Funds of the multi academy trust</b>					
Restricted funds:					
Restricted funds	20	705		829	
Restricted fixed asset funds	20	46,030		46,312	
		<u>46,735</u>		<u>47,141</u>	
Restricted funds excluding pension liability					
Pension reserve		<u>(5,761)</u>		<u>(5,051)</u>	
Total restricted funds			<u>40,974</u>		<u>42,090</u>
Unrestricted funds	20		<u>1,755</u>		<u>1,548</u>
<b>Total funds</b>			<u><u>42,729</u></u>		<u><u>43,638</u></u>

The financial statements were approved by the Trustees, and authorised for issue, on 7 December 2015 and are signed on their behalf, by:

  
Mr Timothy Sewell  
Chair of Trustees

The notes on pages 27 to 48 form part of these financial statements.

The Arthur Terry Learning Partnership  
(A company limited by guarantee)

Cash Flow Statement  
For the Year Ended 31 August 2015

---

	Note	2015 £000	2014 £000
Net cash flow from operating activities	22	528	723
Returns on investments and servicing of finance	23	4	5
Capital expenditure and financial investment	23	(359)	(61)
<b>Cash inflow before financing</b>		<u>173</u>	<u>667</u>
Financing	23	36	17
<b>Increase in cash in the year</b>		<u><u>209</u></u>	<u><u>684</u></u>

---

Reconciliation of Net Cash Flow to Movement in Net Funds  
For the Year Ended 31 August 2015

---

	2015 £000	2014 £000
Increase in cash in the year	209	684
Cash outflow from decrease in debt and lease financing	(36)	(17)
<b>Movement in net funds in the year</b>	<u>173</u>	<u>667</u>
Net funds at 1 September 2014	2,790	2,123
<b>Net funds at 31 August 2015</b>	<u><u>2,963</u></u>	<u><u>2,790</u></u>

The notes on pages 27 to 48 form part of these financial statements.

## 1. Accounting Policies

### 1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Charity Commission Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2014 to 2015 issued by EFA, and the Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently, except where noted, is set out below.

### 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 multi academy trust to continue as a going concern. The Trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

### 1.3 Company status

The multi academy trust is a company limited by guarantee. The members of the company are the Trustees named on page 1. In the event of the multi academy trust being wound up, the liability in respect of the guarantee is limited to £10 per member of the multi academy trust.

### 1.4 Incoming resources

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

#### Grants receivable

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

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

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

#### Sponsorship income

Sponsorship income provided to the multi academy trust which amounts to a donation is recognised in the statement of financial activities in the period in which it is receivable, where there is certainty of receipt and it is measurable.

#### Donated goods, facilities and services

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

## 1. Accounting Policies (continued)

### Donations

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

### Other income

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

## 1.5 Resources expended

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

### Charitable activities

Charitable activities are costs incurred in the multi academy trust's educational operations.

### Governance costs

Governance costs include the costs attributable to the multi academy trust's compliance with constitutional and statutory requirements, including audit, strategic management and Trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

## 1.6 Tangible fixed assets and depreciation

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the balance sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the statement of financial activities and are carried forward in the balance sheet. Depreciation on such assets is charged to the restricted fixed asset fund in the statement of financial activities so as to reduce the fund over the useful economic life of the related asset on a basis consistent with the multi academy trust's depreciation policy. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted funds.

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Longterm leasehold property	-	2% Straight line
Plant and machinery	-	10% Straight line
Motor vehicles	-	25% Reducing balance
Computer equipment	-	30% Straight line

**The Arthur Terry Learning Partnership**

**(A company limited by guarantee)**

**Notes to the Financial Statements  
For the Year Ended 31 August 2015**

---

**1. Accounting Policies (continued)**

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

**1.7 Operating leases**

Rentals under operating leases are charged to the statement of financial activities on a straight line basis over the lease term.

**1.8 Taxation**

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

**1. Accounting Policies (continued)**

**1.9 Pensions**

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the multi academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 26, the TPS is a multi-employer scheme and the multi academy trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

**1.10 Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received and include grants from the Department for Education.

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

The Arthur Terry Learning Partnership  
(A company limited by guarantee)  
Notes to the Financial Statements  
For the Year Ended 31 August 2015

2. Voluntary income

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Donations	205	-	205	91
Grants	-	-	-	25
	<u>205</u>	<u>-</u>	<u>205</u>	<u>116</u>

3. Activities for generating funds

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Lettings income	29	-	29	24
Other income	77	-	77	56
Salary recharges	-	193	193	55
Academy consultancy income	-	106	106	-
	<u>106</u>	<u>299</u>	<u>405</u>	<u>135</u>

4. Investment income

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Bank interest	4	-	4	5
	<u>4</u>	<u>-</u>	<u>4</u>	<u>5</u>

5. Incoming resources from charitable activities

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Academy's Educational Operations	393	21,021	21,414	21,917
Children's Centre	-	166	166	156
	<u>393</u>	<u>21,187</u>	<u>21,580</u>	<u>22,073</u>

The Arthur Terry Learning Partnership  
(A company limited by guarantee)

Notes to the Financial Statements  
For the Year Ended 31 August 2015

Funding for Academy's educational operations

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
<b>DfE/EFA revenue grants</b>				
General Annual Grant (GAG)	-	18,185	18,185	18,383
Pupil premium	-	954	954	1,045
Capital grants	-	411	411	246
Other EFA Income	-	417	417	581
	<u>-</u>	<u>19,967</u>	<u>19,967</u>	<u>20,255</u>
<b>Other government grants</b>				
Other Government grants	-	920	920	266
	<u>-</u>	<u>920</u>	<u>920</u>	<u>266</u>
<b>Other funding</b>				
School trip income	335	-	335	462
Other income	58	134	192	934
	<u>393</u>	<u>134</u>	<u>527</u>	<u>1,396</u>
	<u>393</u>	<u>21,021</u>	<u>21,414</u>	<u>21,917</u>

The Arthur Terry Learning Partnership  
(A company limited by guarantee)

Notes to the Financial Statements  
For the Year Ended 31 August 2015

6. Charitable activities

	<b>Total funds 2015 £000</b>	<b>Total funds 2014 £000</b>
<b>Direct costs - educational operations</b>		
Wages and salaries	11,174	10,965
National insurance	688	819
Pension cost	1,612	1,411
FRS 17 pension cost	116	142
Educational expenses	1,381	1,255
Examination fees	259	273
Staff development and recruitment	443	219
Other costs	23	38
School fund and trips costs	425	451
Insurance	90	64
Agency Staff	482	487
	<u>16,693</u>	<u>16,124</u>
<b>Support costs - educational operations</b>		
Wages and salaries	1,674	1,745
National insurance	128	130
Pension cost	293	225
Depreciation	997	864
Maintenance of premises and equipment	1,197	1,282
Rent and rates	287	139
Heat and light	340	378
Travelling	14	17
Catering	313	206
Technology costs	198	445
Office expenses	239	263
Loss on the disposal of fixed asset	3	-
	<u>5,683</u>	<u>5,694</u>
Total Academy's educational operations	<u>22,376</u>	<u>21,818</u>
<b>Other activities</b>		
Childrens centre costs	145	152
Total direct and support costs	<u>22,521</u>	<u>21,970</u>

The Arthur Terry Learning Partnership  
(A company limited by guarantee)

Notes to the Financial Statements  
For the Year Ended 31 August 2015

7. Governance costs

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Internal audit costs	-	2	2	9
Auditors' remuneration	-	21	21	21
Legal fees	-	15	15	54
Clerk to Governing Body fees	-	5	5	4
Governing Body meeting costs	-	2	2	3
	-	45	45	91

8. Resources expended

	Staff costs 2015 £000	Non Pay Premises 2015 £000	Expenditure Other costs 2015 £000	Total 2015 £000	Total 2014 £000
Direct costs - Multi academy's educational operations	13,955	90	2,648	16,693	16,479
Children's Centre	80	-	65	145	152
Support costs - Multi academy's educational operations	2,095	2,660	928	5,683	5,694
<b>Charitable activities</b>	<b>16,130</b>	<b>2,750</b>	<b>3,641</b>	<b>22,521</b>	<b>22,325</b>
<b>Governance</b>	<b>-</b>	<b>-</b>	<b>45</b>	<b>45</b>	<b>91</b>
	<b>16,130</b>	<b>2,750</b>	<b>3,686</b>	<b>22,566</b>	<b>22,416</b>

9. Analysis of resources expended by activities

	Activities undertaken directly 2015 £000	Support costs 2015 £000	Total 2015 £000	Total 2014 £000
Academy's Educational Operations	16,693	5,683	22,376	21,818
Children's Centre	145	-	145	152
<b>Total</b>	<b>16,838</b>	<b>5,683</b>	<b>22,521</b>	<b>21,970</b>

**The Arthur Terry Learning Partnership**  
**(A company limited by guarantee)**  
**Notes to the Financial Statements**  
**For the Year Ended 31 August 2015**

**10. Net incoming / (outgoing) resources**

This is stated after charging:

	2015 £000	2014 £000
Depreciation of tangible fixed assets: - owned by the charity	997	864

**11. Auditors' remuneration**

	2015 £000	2014 £000
Fees payable to the multi academy trust's auditor for the audit of the multi academy trust's annual accounts	20	20
Fees payable to the multi academy trust's auditor in respect of:		
Risk review services	2	1
All assurance services not included above	1	1

**12. Staff**

**a. Staff costs**

Staff costs were as follows:

	2015 £000	2014 £000
Wages and salaries	12,903	12,809
Social security costs	815	949
Other pension costs (Note 26)	1,905	1,636
	<u>15,623</u>	<u>15,394</u>
Supply teacher costs	482	487
Staff restructuring	25	37
	<u>16,130</u>	<u>15,918</u>

**b. Staff severance payments**

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £25,000 (2014: £37,000). Individually, the payments were: £2,000, £4,000, £5,000, £6,000 and £8,000.

The Arthur Terry Learning Partnership  
(A company limited by guarantee)

Notes to the Financial Statements  
For the Year Ended 31 August 2015

---

12. Staff (continued)

c. Staff numbers

The average number of persons employed by the multi academy trust during the year expressed as full time equivalents was as follows:

	2015 No.	2014 No.
Teachers	213	207
Non teaching staff	174	177
Management	34	39
	<u>421</u>	<u>423</u>

d. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	8	11
In the band £70,001 - £80,000	2	-
In the band £80,001 - £90,000	2	2
In the band £140,001 - £150,000	-	1
In the band £160,001 - £170,000	1	-
	<u>13</u>	<u>14</u>

All of the above employees participated in the Teachers' Pension Scheme.

The Arthur Terry Learning Partnership  
(A company limited by guarantee)

Notes to the Financial Statements  
For the Year Ended 31 August 2015

---

**13. Central services**

The multi academy trust has provided the following central services to its academies during the year:

- Educational services
- Finance
- Operations
- Legal and Governance

The multi academy trust charges for these services on the following basis:

Flat percentage of General Annual Grant.

The actual amounts charged during the year were as follows:

	2015 £000
Arthur Terry School	329
Stockland Green School	230
Slade Primary School	54
Brookvale Primary School	38
Hill West Primary School	65
Mere Green Primary School	56
	<hr/>
Total	772

**14. Trustees' remuneration and expenses**

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

	2015 £000	2014 £000
Sir Christopher Stone (Chief Executive and Trustee)		
- Remuneration	160-165	145-150
- Employer's pension contributions	20-25	15-20

During the year, no Trustees received any benefits in kind (2014 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2014 - £NIL).

**15. Trustees' and officers' insurance**

In accordance with normal commercial practice the multi academy trust has purchased insurance to protect Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was £384 (2014 - £407). The cost of this insurance is included in the total insurance cost.

The Arthur Terry Learning Partnership  
(A company limited by guarantee)

Notes to the Financial Statements  
For the Year Ended 31 August 2015

16. Tangible fixed assets

	Long term leasehold land and buildings £000	Plant and machinery £000	Motor vehicles £000	Computer equipment £000	Total £000
<b>Cost</b>					
At 1 September 2014	47,652	244	26	338	48,260
Additions	347	275	15	133	770
Disposals	-	-	(6)	-	(6)
At 31 August 2015	47,999	519	35	471	49,024
<b>Depreciation</b>					
At 1 September 2014	1,752	23	12	161	1,948
Charge for the year	836	47	6	108	997
On disposals	-	-	(3)	-	(3)
At 31 August 2015	2,588	70	15	269	2,942
<b>Net book value</b>					
At 31 August 2015	45,411	449	20	202	46,082
At 31 August 2014	45,900	221	14	177	46,312

17. Debtors

	2015 £000	2014 £000
Trade debtors	65	32
Other debtors	57	53
Prepayments and accrued income	449	393
	571	478

The Arthur Terry Learning Partnership  
(A company limited by guarantee)  
Notes to the Financial Statements  
For the Year Ended 31 August 2015

18. Creditors:  
Amounts falling due within one year

	2015 £000	2014 £000
Other loans	7	4
Trade creditors	30	-
Other taxation and social security	285	279
Other creditors	14	14
Accruals and deferred income	797	598
	<u>1,133</u>	<u>895</u>
		<b>£000</b>
<b>Deferred income</b>		
Deferred income at 1 September 2014		117
Resources deferred during the year		316
Amounts released from previous years		<u>(117)</u>
Deferred income at 31 August 2015		<u>316</u>

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

	2015 £000	2014 £000
Other loans	<u>46</u>	<u>13</u>
Included within the above are amounts falling due as follows:		
	2015 £000	2014 £000
<b>Between one and two years</b>		
Other loans	<u>7</u>	<u>7</u>
<b>Between two and five years</b>		
Other loans	<u>21</u>	<u>6</u>
<b>Over five years</b>		
Other loans	<u>18</u>	<u>-</u>

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

	2015 £000	2014 £000
Repayable by instalments	<u>18</u>	<u>-</u>

Other loans is made up of an interest free "Salix" loan from the EFA. This loan is repayable in half yearly installments of £3,520 until 1 September 2023.

The Arthur Terry Learning Partnership  
(A company limited by guarantee)

Notes to the Financial Statements  
For the Year Ended 31 August 2015

20. Statement of funds

	Brought Forward £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
<b>Designated funds</b>						
Designated funds	1,070	-	-	180	-	1,250
<b>General funds</b>						
Unrestricted funds	478	708	(501)	(180)	-	505
Total Unrestricted funds	1,548	708	(501)	-	-	1,755
<b>Restricted funds</b>						
General Annual Grant (GAG)	807	18,185	(18,026)	(304)	-	662
Children's Centre	22	166	(145)	-	-	43
Other DFE/EFA grants	-	1,371	(1,371)	-	-	-
Other government grants	-	920	(920)	-	-	-
Other income	-	433	(433)	-	-	-
Pension reserve	(5,051)	-	(173)	-	(537)	(5,761)
	(4,222)	21,075	(21,068)	(304)	(537)	(5,056)
<b>Restricted fixed asset funds</b>						
	Brought Forward £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
Fixed assets	46,312	411	(997)	304	-	46,030
Total restricted funds	42,090	21,486	(22,065)	-	(537)	40,974
Total of funds	43,638	22,194	(22,566)	-	(537)	42,729

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

**Designated funds**

This fund represents funds which the Trustees have earmarked for future capital projects.

**Restricted general funds**

This fund represents grants and other income received for the multi academy trust's operational activities and development.

**Pension reserve**

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

The Arthur Terry Learning Partnership  
(A company limited by guarantee)

Notes to the Financial Statements  
For the Year Ended 31 August 2015

20. Statement of funds (continued)

**Restricted fixed asset funds**

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

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

**Analysis of academies by fund balance**

Fund balances at 31 August 2015 were allocated as follows:

	Total £000
Arthur Terry Learning Partnership	228
Arthur Terry School	276
Stockland Green School	1,082
Slade Primary School	275
Brookvale Primary School	70
Hill West Primary School	244
Mere Green School	285
	<hr/>
Total before fixed asset fund and pension reserve	2,460
Restricted fixed asset fund	46,030
Pension reserve	(5,761)
	<hr/>
Total	42,729
	<hr/> <hr/>

Included in the above revenue reserves balance of £2,460,000 are funds totalling £1,250,000 which the Trustees have designated for future capital projects. These amounts are broken down as follows:

Stockland Green School	£750,000
Slade Primary School	£200,000
Hill West Primary School	£300,000

**Analysis of academies by cost**

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total £000
Arthur Terry Learning Partnership	593	-	-	103	696
Arthur Terry School	6,567	760	625	1,848	9,800
Stockland Green School	2,729	707	291	1,272	4,999
Slade Primary School	1,012	102	102	364	1,580
Brookvale Primary School	736	91	113	226	1,166
Hill West Primary School	1,040	136	84	477	1,737
Mere Green Primary School	821	299	169	302	1,591
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	13,498	2,095	1,384	4,592	21,569
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

The Arthur Terry Learning Partnership  
(A company limited by guarantee)

Notes to the Financial Statements  
For the Year Ended 31 August 2015

Summary of funds

	Brought Forward £000	Incoming resources £000	Resources Expended £000	Transfers in/out £000	Gains/ (Losses) £000	Carried Forward £000
Designated funds	1,070	-	-	180	-	1,250
General funds	478	708	(501)	(180)	-	505
	<u>1,548</u>	<u>708</u>	<u>(501)</u>	<u>-</u>	<u>-</u>	<u>1,755</u>
Restricted funds	(4,222)	21,075	(21,068)	(304)	(537)	(5,056)
Restricted fixed asset funds	46,312	411	(997)	304	-	46,030
	<u>43,638</u>	<u>22,194</u>	<u>(22,566)</u>	<u>-</u>	<u>(537)</u>	<u>42,729</u>

21. Analysis of net assets between funds

	Unrestricted funds 2015 £000	Restricted funds 2015 £000	Restricted fixed asset funds 2015 £000	Total funds 2015 £000	Total funds 2014 £000
Tangible fixed assets	-	-	46,080	46,080	46,309
Current assets	1,755	1,713	122	3,590	3,287
Creditors due within one year	-	(1,008)	(126)	(1,134)	(894)
Creditors due in more than one year	-	-	(46)	(46)	(13)
Provisions for liabilities and charges	-	(5,761)	-	(5,761)	(5,051)
	<u>1,755</u>	<u>(5,056)</u>	<u>46,030</u>	<u>42,729</u>	<u>43,638</u>

22. Net cash flow from operations

	2015 £000	2014 £000
Net incoming resources before revaluations	(372)	268
Returns on investments and servicing of finance	(4)	(5)
Depreciation of tangible fixed assets	997	863
Deficit on disposal of tangible fixed assets	3	-
Capital grants from DfE	(411)	(246)
Increase in debtors	(93)	(112)
Increase/(decrease) in creditors	235	(226)
FRS 17 adjustments	173	181
<b>Net cash inflow from operations</b>	<u>528</u>	<u>723</u>

The Arthur Terry Learning Partnership  
(A company limited by guarantee)

Notes to the Financial Statements  
For the Year Ended 31 August 2015

23. Analysis of cash flows for headings netted in cash flow statement

	2015 £000	2014 £000
<b>Returns on investments and servicing of finance</b>		
Interest received	4	5
	<u>4</u>	<u>5</u>
	<b>2015 £000</b>	<b>2014 £000</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(770)	(307)
Capital grants from DfE	411	246
	<u>(359)</u>	<u>(61)</u>
<b>Net cash outflow capital expenditure</b>	<b>(359)</b>	<b>(61)</b>
	<b>2015 £000</b>	<b>2014 £000</b>
<b>Financing</b>		
Other new loans	40	17
Repayment of other loans	(4)	-
	<u>36</u>	<u>17</u>
<b>Net cash inflow from financing</b>	<b>36</b>	<b>17</b>

24. Analysis of changes in net funds

	1 September 2014 £000	Cash flow £000	Other non-cash changes £000	31 August 2015 £000
Cash at bank and in hand:	2,807	209	-	3,016
<b>Debt:</b>				
Debts due within one year	(4)	4	(7)	(7)
Debts falling due after more than one year	(13)	-	(33)	(46)
	<u>2,790</u>	<u>213</u>	<u>(40)</u>	<u>2,963</u>
<b>Net funds</b>	<b>2,790</b>	<b>213</b>	<b>(40)</b>	<b>2,963</b>

25. Capital commitments

At 31 August 2015 the multi academy trust had capital commitments as follows:

	2015 £000	2014 £000
Contracted for but not provided in these financial statements	448	229
	<u>448</u>	<u>229</u>

## **26. Pension commitments**

The multi academy trust's employees belong to two principal pension schemes: the Teacher's Pension Scheme for England and Wales (TPS) for academic and related staff; and the Local Government Pension Scheme (LGPS) for non-teaching staff, which is managed by the West Midlands Pension Fund. Both are defined benefit schemes.

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

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

### **Teachers' Pension Scheme**

#### **Introduction**

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

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

#### **Valuation of the Teachers' Pension Scheme**

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

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

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

The pension costs paid to TPS in the period amounted to £1,227,000 (2014: £1,176,000).

**The Arthur Terry Learning Partnership**  
**(A company limited by guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2015**

**26. Pension commitments (continued)**

A copy of the valuation report and supporting documentation is on the Teachers' Pensions website.

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £885,000, of which employer's contributions totalled £678,000 and employees' contributions totalled £207,000. The agreed contribution rates for future years are 13.6% for employers and 5.5% to 12.5% 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.

The amounts recognised in the balance sheet are as follows:

	2015 £000	2014 £000
Present value of funded obligations	(11,081)	(9,349)
Fair value of scheme assets	5,320	4,298
	<u>          </u>	<u>          </u>
Net liability	<u>(5,761)</u>	<u>(5,051)</u>

The amounts recognised in the Statement of financial activities are as follows:

	2015 £000	2014 £000
Current service cost	(735)	(639)
Interest on obligation	(392)	(396)
Expected return on scheme assets	276	254
	<u>          </u>	<u>          </u>
Total	<u>(851)</u>	<u>(781)</u>
	<u>          </u>	<u>          </u>
Actual return on scheme assets	<u>215</u>	<u>456</u>

**The Arthur Terry Learning Partnership**  
**(A company limited by guarantee)**

**Notes to the Financial Statements**  
**For the Year Ended 31 August 2015**

**26. Pension commitments (continued)**

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

	<b>2015</b>	2014
	<b>£000</b>	£000
Opening defined benefit obligation	<b>9,349</b>	8,221
Current service cost	<b>735</b>	639
Interest cost	<b>392</b>	396
Contributions by scheme participants	<b>207</b>	204
Actuarial Losses/(gains)	<b>476</b>	(58)
Benefits paid	<b>(78)</b>	(53)
	<hr/>	<hr/>
Closing defined benefit obligation	<b>11,081</b>	9,349
	<hr/> <hr/>	<hr/> <hr/>

Movements in the fair value of the multi academy trust's share of scheme assets:

	<b>2015</b>	2014
	<b>£000</b>	£000
Opening fair value of scheme assets	<b>4,298</b>	3,939
Expected return on assets	<b>276</b>	254
Actuarial losses	<b>(61)</b>	(646)
Contributions by employer	<b>678</b>	600
Contributions by employees	<b>207</b>	204
Benefits paid	<b>(78)</b>	(53)
	<hr/>	<hr/>
	<b>5,320</b>	4,298
	<hr/> <hr/>	<hr/> <hr/>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was £(1,238,000) (2014 - £(701,000)).

The multi academy trust expects to contribute £686,000 to its Defined benefit pension scheme in 2016.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	<b>2015</b>	2014
Equities	<b>60.00 %</b>	45.00 %
Government bonds	<b>7.00 %</b>	7.90 %
Other bonds	<b>10.00 %</b>	10.30 %
Property	<b>9.00 %</b>	8.70 %
Cash	<b>5.00 %</b>	4.40 %
Other	<b>9.00 %</b>	23.70 %

Principal actuarial assumptions at the Balance sheet date (expressed as weighted averages):

	<b>2015</b>	2014
Discount rate for scheme liabilities	<b>4.00 %</b>	4.00 %
Expected return on scheme assets at 31 August	<b>5.90 %</b>	5.88 %
Rate of increase in salaries	<b>4.15 %</b>	3.95 %
Rate of increase for pensions in payment / inflation	<b>2.40 %</b>	2.20 %
Inflation assumption (CPI)	<b>2.40 %</b>	2.20 %

**The Arthur Terry Learning Partnership**  
**(A company limited by guarantee)**  
**Notes to the Financial Statements**  
**For the Year Ended 31 August 2015**

**26. 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:

	<b>2015</b>	2014
Retiring today		
Males	<b>23.0</b>	22.9
Females	<b>25.2</b>	25.5
Retiring in 20 years		
Males	<b>25.6</b>	25.1
Females	<b>28.0</b>	27.8

Amounts for the current and previous three periods are as follows:

Defined benefit pension schemes

	<b>2015</b>	2014	2013	2012
	<b>£000</b>	£000	£000	£000
Defined benefit obligation	<b>(11,081)</b>	(9,349)	(8,221)	(4,587)
Scheme assets	<b>5,320</b>	4,298	3,939	1,994
Deficit	<b>(5,761)</b>	(5,051)	(4,282)	(2,593)
Experience adjustments on scheme liabilities	-	601	93	(349)
Experience adjustments on scheme assets	<b>(61)</b>	(646)	127	16

**27. Operating lease commitments**

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

	<b>Land and buildings</b>		<b>Other</b>	
	<b>2015</b>	2014	<b>2015</b>	2014
	<b>£000</b>	£000	<b>£000</b>	£000
<b>Expiry date:</b>				
Within 1 year	-	-	<b>40</b>	38
Between 2 and 5 years	-	-	<b>24</b>	48
After more than 5 years	<b>522</b>	517	-	-

**28. Related party transactions**

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

No related party transactions took place in the period of account.

**29. Controlling party**

The multi academy trust is controlled by the board of members.