

Registered number: 07730920

The Arthur Terry Learning Partnership

Trustees Report and Financial Statements

For the Year Ended 31 August 2016



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

Contents

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 14
Governance statement	15 - 18
Statement on regularity, propriety and compliance	19
Statement of Trustees' responsibilities	20
Independent auditors' report on the financial statements	21 - 22
Independent reporting accountant's assurance report on regularity	23 - 24
Statement of financial activities incorporating income and expenditure account	25
Balance sheet	26
Statement of cash flows	27
Notes to the financial statements	28 - 52

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

**Reference and Administrative Details of the Multi academy trust, its Trustees and Advisers
For the Year Ended 31 August 2016**

Members	Sir Christopher Stone (resigned 7 December 2015) Mr Timothy Sewell Mr Alan Wharton Mr William Davis Mr Andrew Wood Mr Paul Wadsworth (resigned 18 July 2016) Mrs Sarah Dawson Mr John Vickers Mr Jonathan Brake Mrs Heather Morris (appointed 5 October 2015)
Trustees	Mr Alan Wharton, Chair of Audit and Finance Committee ¹ Mr William Davis, Vice Chair of Trustees Mr Andrew Wood ¹ Mr Paul Wadsworth (resigned 18 July 2016) ¹ Mrs Sarah Dawson Mr Timothy Sewell, Chair of Trustees Mr Andrew Staples ¹ Mrs Rhona Barnett (resigned 31 July 2016) Mr Ashley Innis (resigned 25 September 2016) Mrs Sue Burke Mrs Maxine Rowley Mr John Vickers Mr Jonathan Brake Mr Ian Wills (appointed 14 September 2016) Mr Keith Heron (appointed 20 September 2016) Mr Dewi Jones (appointed 5 October 2016) Sir Christopher Stone, Chief Executive (resigned 7 December 2015) Miss Heather Morris (appointed 5 October 2015) Mrs Sarah Taylor, Interim Chief Executive (appointed 7 December 2015, resigned 31 August 2016) Mr Richard Gill (appointed 1 September 2016)
	¹ member of the Audit Committee
Company registered number	07730920
Company name	The Arthur Terry Learning Partnership
Principal and registered office	Kittoe Road Sutton Coldfield West Midlands B74 4RZ
Chief Executive and Accounting Officer	Sir Christopher Stone (resigned 31 October 2015) Mrs Sarah Taylor (appointed 1 November 2015, resigned 31 August 2016) Mr Richard Gill (appointed 1 September 2016)
Finance Director	Mrs Teresa Phipps

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

Reference and Administrative Details of the Multi academy trust, its Trustees and Advisers
For the Year Ended 31 August 2016

Advisers (continued)

Independent auditors	Dains LLP 15 Colmore Row Birmingham B3 2BH
Bankers	Lloyds Bank Plc 9 Birmingham Road Sutton Coldfield West Midlands B72 1QA
Solicitors	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 2016

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2015 to 31 August 2016. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The trust operates four primary academies, and three secondary academies across Birmingham and North Warwickshire. Its academies had a roll of 4,579 in the school census in January 2016.

Structure, governance and management

a. Constitution

The academy is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust. The Trustees of 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. Trustees' indemnities

The Trustees of the Trust have been indemnified in respect of their legal liability for financial loss arising as a result of a negligent act, accidental error or omission in the course of their official duties. The limit of this indemnity under the insurance arrangement is £2 million.

d. Method of recruitment and appointment or election of Trustees

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

The Articles provide that

- The 7 Members are first directors (Article 50)
- Up to 7 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 multi academy trust 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. The Trust considers the appropriate skills set of prospective Trustees to enable effective leadership of Trust responsibilities.

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

Trustees' Report (continued)
For the Year Ended 31 August 2016

e. 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 required, 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.

f. Organisational structure

The 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) Business 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, Mr Wharton (interim CoG at the end of the Summer term in place of Mrs Dawson), Mrs Barnett, Mrs Rowley, Mr Jones and Mrs Burke.

The Audit & Finance Committee is a committee of the Trust Board. The Audit & 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 is responsible for managing half termly meetings for 'Managing the Organisation' and 'Leading, Learning & Teaching'. Minutes from these committees are part of the regular reporting to the Board of Trustees.

g. Arrangement for setting pay and remuneration of key management personnel

The Board of Trustees has adopted a pay policy following consultation with employees in the school and the school-based representatives of the recognised unions and professional associations.

The Chief Executive Officer (CEO) is to be responsible for ensuring appraisal objectives for all Headteachers/Associate Headteachers are set and reviews are undertaken in line with the policy, and to report the outcome to the Pay Committee of each school and the Board of Trustees annually.

The remuneration package for the CEO will be determined by the Trust Board, taking into account all of the permanent responsibilities of the role, any challenges that are specific to the role, and all other relevant considerations. The salary will be based on a fixed salary. In the case of a new appointment, when determining the salary, the Trust Board will consider the requirements of the post and the extent to which the preferred candidate meets those requirements. The Trust Board will ensure that there is appropriate scope to allow for performance-related progress over time, subject to receiving evidence that there has been substantial and sustained high quality of performance having regard to the results of the recent appraisal and achieving the overall expectations and outcomes of the ATLP.

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

Trustees' Report (continued)
For the Year Ended 31 August 2016

h. Related parties and other connected charities and organisations

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 three 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

Mathematics SLE has supported three schools one day a week since designation in cohort 1 impacting on teaching profiles leading to improved student outcomes.

1. Secondary Mathematics SLEs have been supporting delivery of maths in two local Primary schools over the course of the last year. This year Primary Mathematics SLE are leading maths moderation meetings and delivering Mastery of Maths programmes to improve the delivery of mathematics across Keys Stage 1 and 2.
2. Secondary MFL specialists are facilitating a Subject Network group to develop the provision of Languages across the TSA.
3. Primary SLE seconded half a day a week from St. Michael's working on ITE and CPD programmes.
4. Secondary English SLEs from Hamstead Hall, Stockland Green and Arthur Terry are developing literacy programmes for the schools in their different contexts.
5. MFL support at Stockland Green School is focused on the mentoring and development of Teach First teachers this year. Two Mathematics SLEs, one Primary and Secondary, are working with the Mathematics departments to develop the level of challenge in KS3 Maths, and a Science SLE is now working across Arthur Terry and Stockland Green to support Leadership and Management of the Faculty. Subject specialists in MFL, Textiles and Technology are working with colleagues at John Wilmott Schools to improve exam performance.
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 (Greenwood, Rockwood, Wellington College, Walsall Studio School and Cardinal Wiseman) and are establishing school and subject improvement networks in Textiles, Primary Computing, Secondary History, Secondary Geography and exam based English and Maths network groups to support teaching and learning across the West Midlands and beyond.

Initial Teacher Education

1. The Arthur Terry National Teaching School was designated a School Centred Initial Teacher Training centre in July 2012.
2. Cohort 4 [61 trainees] completed School led training at Arthur Terry in July 2016, all achieving QTS at good or outstanding with 95% of the trainees gaining employment, 65% in schools within the ITE partnership.
3. Cohort 5 due to complete in July 2017 has fifty three associate teachers training across the Teaching School Alliance in Primary and Secondary.
4. 46 of the trainees are secondary, 7 are primary.

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

Trustees' Report (continued)
For the Year Ended 31 August 2016

5. The ITE partnership comprises 25 schools (14 secondary, 11 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.
8. SCITT provision has grown to include Geography, History, PE and MFL for this academic year. The primary programme will be assimilated into our SCITT provision in September 2017.

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 Leadership [a new addition to our Leadership suite which aims to give experienced Middle Leaders a Leadership Secondment] and Aspire to Headship [developed in collaboration with Birmingham City University and Fusion Leadership] aimed at Senior Leaders looking to gain a first Headship.
 2. The Advanced Practitioners' Programme and the Good Teacher Programme are newly developed strands of our provision aimed at teachers who want to develop and extend their pedagogical practice.
 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. We are also collaboratively delivering an NQT+1 programme which is highly successful and we are co-facilitating in service subject knowledge enhancement in MFL and Maths.
- Our Annual Teaching School summer conference was also a successful joint enterprise with the SNAP group and focused on showcasing and disseminating research and development across the four Teaching Alliance.
5. 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.
 6. 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.

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.

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

**Trustees' Report (continued)
For the Year Ended 31 August 2016**

John Willmott School

The Arthur Terry Learning Partnership is working as the improvement partner for John Willmott School, who are currently a Birmingham City Council local authority school. John Willmott recently received an Academy Order. Since the Autumn term 2015 John Willmott 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. ATLP is also providing support for budget planning, financial management and budget monitoring.

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.

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

Trustees' Report (continued)
For the Year Ended 31 August 2016

b. Objectives, strategies and activities

The five-year business plan describes our objectives, purpose and vision. Our plans focus upon ensuring The Arthur Terry Learning Partnership remains a centre for academic excellence at all levels across the partnership. The Arthur Terry Learning Partnership is committed to delivering outstanding provision through collaborative working, local responsibility and accountability, systematic quality assurance and a commitment to continual improvement.

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 Group;
- Operate a robust quality assurance calendar which monitors the quality of teaching and learning and includes book trawls
- Is visited, 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.

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

Trustees' Report (continued)
For the Year Ended 31 August 2016

Strategic Report

Achievements and performance for 2015-16

Primary Schools (provisional data)

School	Key Stage 1		Key Stage 2		Reading		Grammar, Punctuation & Spelling		Mathematics	
	%EXS+ Reading, Writing and Maths		% Reading, Writing TA and Maths at Expected Standard		School	National	School	National	School	National
Mere Green Primary School	68	60	62	52	106.9	103	107.8	104	105.8	103
Hill West Primary School	78	60	69	52	105.5	103	108.2	104	107	103
Slade Primary School	65	60	48	52	100.2	103	103.8	104	102.4	103
Brookvale Primary School	47	60	63	52	103.6	103	105.8	104	104.8	103

Secondary Schools

GCSE

School	Attainment 8 (unvalidated)	Progress 8 (unvalidated)	Ebacc (unvalidated)	A*-C in English and Maths (unvalidated)
The Arthur Terry School	56.28	0.24	40%	88%
Stockland Green School	44.96	0.11	16%	48%
The Coleshill School	50.89	-0.1	23%	67%
John Willmott School	45.6	-0.13	12%	48%

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

Trustees' Report (continued)
For the Year Ended 31 August 2016

A level

School	% of entries at A*-B	% of entries at A*-E
The Arthur Terry School	42%	98%
The Coleshill School	39%	98%
John Willmott School	48%	90%

a. Key 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. 2015-16 secured a balanced budget with reserves of £2,600,000. After allowing for committed funds at the year end the available reserves are £1,430,000.

- Benchmarking expenditure against other similar organisations

Benchmarking information provided by the Department for Education has been reviewed by trustees to make comparative judgements on the efficiency of each school. Trustees have continued to reduce staffing costs as opportunities arise to reduce the percentage of income allocated to staffing resources. Extensive work has been undertaken this year to drive efficiency across the partnership, this included a governor training session and provision of data for governors to challenge school leaders.

- Maintaining current level of reserves

The Trust has maintained a similar level of reserves at the end of this accounting period. The trust has funded emergency works in 2015-16; expected to total approximately £1.2M. 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.

b. 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.

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

Trustees' Report (continued)
For the Year Ended 31 August 2016

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 is 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 £42,330 income during 2015-16 for training grants.

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

On conversion, 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 surplus for the year, before the actuarial losses on defined benefit pension schemes, of £140,000. This operating surplus 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's appointment of a Finance Director in 2014 has significantly improved budget forecasting, monitoring and planning. This is 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 £46,442,000 but £43,842,000 are represented by fixed assets and the Local Government Pension Scheme deficit.

The restricted fund reserves will be used to fund current commitments, designated building maintenance projects and provision of an all weather pitch at one school to enable external play space for pupils, as well as expenditure required to implement the Aims and Objectives of the Academy Trust as outlined in the Business Plan. £966,000 is designated for completing specified projects.

The reserves statement states the trust will endeavour to retain 2.5% in reserves.

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

Trustees' Report (continued)
For the Year Ended 31 August 2016

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 annually agree determined areas of principle risk for the Trust and then charge each Local Governing Body to conduct an annual review of the Trust's 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

In recent months the Trust has begun to review risk on a more frequent and regular basis.

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 practice across the key stages. The Trust incorporated a third additional secondary school, The Coleshill School, with effect from 1st September 2015. The Trust is currently working as a school improvement partner for The John Willmott School; the intention is for the school to be formally incorporated when the school is financially viable.

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

Funds held as custodian trustee on behalf of others include, Toy Library, Cluster and Children's Centre.

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

Trustees' Report (continued)
For the Year Ended 31 August 2016

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

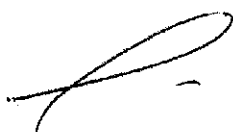
Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- 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 relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Dains LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

This report, incorporating the Strategic Report, was approved by order of the board of trustees as the company directors, on 12 December 2016 and signed on its behalf by:



Mr Timothy Sewell
Chair of Trustees

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

Governance Statement

Scope of Responsibility

As trustees, 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 Statement of Trustees' responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr Timothy Sewell, Chair of Trustees	6	6
Mrs Heather Morris (appointed 5 October 2015)	6	6
Mr Alan Wharton, Chair of Audit and Finance Committee	6	6
Mr William Davis, Vice Chair of Trustees	5	6
Mr Andrew Wood	5	6
Mr Paul Wadsworth (resigned 18 July 2016)	5	6
Mrs Sarah Dawson	6	6
Mr Andrew Staples	2	3
Mrs Rhona Barnett (resigned 31 July 2016)	3	3
Mr Ashley Innis (resigned 25 September 2016)	2	3
Mrs Sue Burke	3	3
Mrs Maxine Rowley	3	3
Mr John Vickers	5	6
Mr Jonathan Brake	4	6
Mr Dewi Jones (appointed 5 October 2016)	6	6
Sir Christopher Stone, Chief Executive (resigned 7 December 2015)	0	0
Miss Heather Morris	6	6
Mrs Sarah Taylor, Interim Chief Executive (appointed 7 December 2015, resigned 31 August 2016)	6	6

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 almost the whole of the academic year. 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.

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

Governance Statement (continued)

Governance Reviews

During the reporting period the board enjoyed the benefits of previously commissioned external and independent governance support. Work included review of 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 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. Two Trustees have each attained National Leader of Governance (NLG) status. Each of the NLGs have worked in schools both within and external to the partnership. The Trustees recently procured membership to a national governance provider and is currently undertaking a complete review of its structures to enable growth and development of the partnership. The intention is that the new structure and scheme of delegation will be implemented in the Spring term of 2017.

Each local governing body meets six times a year to review budget monitoring. Each monitoring report details the projected outturn for the year-end. Each local governing body reviews a draft budget for the forthcoming financial year in the first half of the Summer term and reviews and approves a final budget plan for the forthcoming year in the second half of the Summer term.

The Finance Director summarises relevant information to be presented to the Finance & Audit Committee three times annually. The forecast financial position for each school is 'RAG' rated throughout the financial year. All new approved budgets are also 'RAG' rated to ensure consistency and close monitoring of any potentially vulnerable budgets. The whole process of financial governance is totally inclusive to enable the appropriate level of challenge.

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	4	4
Mr Andrew Wood	3	4
Mr Paul Wadsworth	2	4
Mr Andrew Staples	2	4
Mrs Sally Taylor	4	4
Ms Vanessa Vann	3	4

Review of Value for money

As Accounting Officer, the Chief Executive has responsibility for ensuring that the multi 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 multi academy trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the multi 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 recent full time appointment of a Finance Director has given the Accounting Officer, and the Trust

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

Governance Statement (continued)

Board increased confidence in the quality assurance of financial management and stringent systems of internal control. The extended responsibility of 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. Since the full time appointment of the Finance Director further review of operations to maximise financial benefit, value for money and minimise risk to the Trust have taken place. For example a dedicated governor, trustee and headteacher training session took place one evening in relation to the government's strategy to drive efficiency and financial health. The session included documentation for further guidance and efficiency data for all schools within the partnership.

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 2015 to 31 August 2016 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 2015 to 31 August 2016 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 Dalns LLP, the external auditors, to perform additional checks.

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

Governance Statement (continued)

The auditors' role includes giving advice on financial matters and performing a range of checks on the multi academy trust's financial systems. 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 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 12 December 2016 and signed on their behalf, by:



Mr Timothy Sewell
Chair of Trustees



Mr Richard Gill
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 academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2015.

I confirm that I and the academy trust board of trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2015.

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.



Mr Richard Gill
Accounting Officer

Date: 12 December 2016

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

Statement of Trustees' Responsibilities
For the Year Ended 31 August 2016

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 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 2015 and the Academies' Accounts Direction 2015 to 2016;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 12 December 2016 and signed on its behalf by:



Mr Timothy Sewell
Chair of Trustees

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

Independent Auditors' Report on the Financial Statements to the Members of The Arthur Terry Learning Partnership

We have audited the financial statements of The Arthur Terry Learning Partnership for the year ended 31 August 2016 which comprise the statement of financial activities, the balance sheet, the statement of cash flow 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) including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Academies Accounts Direction 2015 to 2016 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 Statement of Trustees' responsibilities, 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 company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

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

Independent Auditors' Report on the Financial Statements 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
12 December 2016

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 19 September 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, 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 2015 to 31 August 2016 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 the 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 the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Arthur Terry Learning Partnership and the 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 2015, 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 2015 to 2016. 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 2015 to 31 August 2016 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 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

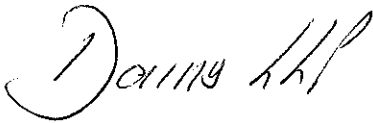
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the multi academy trust's income and expenditure.

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 2015 to 31 August 2016 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

12 December 2016

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

Statement of Financial Activities
(Incorporating Income and Expenditure Account)
For the Year Ended 31 August 2016

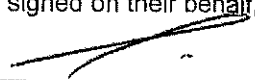
	Note	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Restricted fixed asset funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
Income from:						
Donations & capital grants:						
Transfer from The Coleshill School	2	81	(1,736)	10,372	8,717	-
Other donations and capital grants	2	224	-	556	780	616
Charitable activities:						
Funding for the multi-academy trust's educational operations	3	379	25,326	-	25,705	21,169
Other trading activities	4	343	57	-	400	405
Investments	5	5	-	-	5	4
Total income		1,032	23,647	10,928	35,607	22,194
Expenditure on:						
Charitable activities:						
Multi-academy trust's educational operations		1,017	24,930	1,213	27,160	22,655
Total expenditure	6	1,017	24,930	1,213	27,160	22,655
Net income / (expenditure) before transfers		15	(1,283)	9,715	8,447	(461)
Transfers between Funds	18	-	(784)	784	-	-
Net income / (expenditure) before other gains and losses		15	(2,067)	10,499	8,447	(461)
Actuarial losses on defined benefit pension schemes	23	-	(4,734)	-	(4,734)	(448)
Net movement in funds		15	(6,801)	10,499	3,713	(909)
Reconciliation of funds:						
Total funds brought forward		1,755	(5,056)	46,030	42,729	43,638
Total funds carried forward		1,770	(11,857)	56,529	46,442	42,729

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

Balance Sheet
As at 31 August 2016

	Note	£000	2016 £000	£000	2015 £000
Fixed assets					
Tangible assets	14		56,575		46,082
Current assets					
Debtors	15	702		571	
Cash at bank and in hand		3,632		3,016	
		<u>4,334</u>		<u>3,587</u>	
Creditors: amounts falling due within one year	16	<u>(1,741)</u>		<u>(1,133)</u>	
Net current assets			<u>2,593</u>		<u>2,454</u>
Total assets less current liabilities			<u>59,168</u>		<u>48,536</u>
Creditors: amounts falling due after more than one year	17		<u>(39)</u>		<u>(46)</u>
Net assets excluding pension scheme liabilities			<u>59,129</u>		<u>48,490</u>
Defined benefit pension scheme liability	23		<u>(12,687)</u>		<u>(5,761)</u>
Net assets including pension scheme liabilities			<u>46,442</u>		<u>42,729</u>
Funds of the multi academy trust					
Restricted funds:					
Restricted funds	18	830		705	
Restricted fixed asset funds	18	56,529		46,030	
Restricted funds excluding pension liability		<u>57,359</u>		<u>46,735</u>	
Pension reserve		<u>(12,687)</u>		<u>(5,761)</u>	
Total restricted funds			<u>44,672</u>		<u>40,974</u>
Unrestricted funds	18		<u>1,770</u>		<u>1,755</u>
Total funds			<u>46,442</u>		<u>42,729</u>

The financial statements were approved by the Trustees, and authorised for issue, on 12 December 2016 and are signed on their behalf, by:


Mr Timothy Sewell
Chair of Trustees

The notes on pages 28 to 52 form part of these financial statements.

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

Statement of Cash Flows
For the Year Ended 31 August 2016

	Note	2016 £000	2015 £000
Cash flows from operating activities			
Net cash provided by operating activities	20	1,170	528
Cash flows from investing activities:			
Dividends, interest and rents from investments		5	4
Purchase of tangible fixed assets		(1,334)	(770)
Capital grants from DfE/EFA		782	411
Net cash used in investing activities		(547)	(355)
Cash flows from financing activities:			
Repayments of borrowings		(7)	(4)
Cash inflows from new borrowing		-	40
Net cash (used in)/provided by financing activities		(7)	36
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		3,016	2,807
Cash and cash equivalents carried forward	21	3,632	3,016

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

1. Accounting Policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

The Arthur Terry Learning Partnership constitutes a public benefit entity as defined by FRS 102.

First time adoption of FRS 102

These financial statements are the first financial statements of The Arthur Terry Learning Partnership prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of The Arthur Terry Learning Partnership for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 27.

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 at least one year from the date of authorisation for issue of the financial statements and have concluded that the academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 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. Accounting Policies (continued)

1.4 Income

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

Grants

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

General Annual Grant is recognised in full in the statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

Goods donated for resale are included at fair value, being the expected proceeds from sale less the expected costs of sale. If it is practical to assess the fair value at receipt, it is recognised in stock and 'Income from other trading activities'. Upon sale, the value of the stock is charged against 'Income from other trading activities' and the proceeds are recognised as 'Income from other trading activities'. Where it is impractical to fair value the items due to the volume of low value items they are not recognised in the financial statements until they are sold. This income is recognised within 'Income from other trading activities'.

Where the donated good is a fixed asset it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset category and depreciated over the useful economic life in accordance with the academy trust's accounting policies.

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. Accounting Policies (continued)

1.5 Expenditure

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

Charitable Activities

Charitable activities and Governance costs are costs incurred on the multi academy trust's educational operations, including support costs and costs relating to the governance of the multi academy trust apportioned to charitable activities.

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. Where there are specific conditions attached to the funding requiring the continued use of the asset, the related grants are credited to a restricted fixed asset fund in the statement of financial activities and carried forward in the balance sheet. Depreciation on the relevant assets is charged directly to the restricted fixed asset fund in the statement of financial activities. Where tangible fixed assets have been acquired with unrestricted funds, depreciation on such assets is charged to the unrestricted fund.

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 carried at cost, net of depreciation and any provision for impairment. 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

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.

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

**Notes to the Financial Statements
For the Year Ended 31 August 2016**

1. Accounting Policies (continued)

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 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the multi academy trust; this is normally upon notification of the interest paid or payable by the Bank.

1.9 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.

1.10 Debtors

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

1.11 Cash at Bank and in hand

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

1.12 Liabilities and provisions

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

1.13 Financial instruments

The multi academy trust only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

1. Accounting Policies (continued)

1.14 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 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 quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.15 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.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

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

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

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

1. Accounting Policies (continued)

1.16 Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The preparation of the financial statements in conformity with generally accepted accounting principals requires the Trustees to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results in the future could differ from those estimates. In this regard, the Trustees believe that the critical accounting policies where judgements or estimating are necessarily applied are summarised below.

Depreciation and residual values

The Trustees have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are appropriate.

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

2. Income from donations and capital grants

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Restricted fixed asset funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
Transfer from The Coleshill School	81	(1,736)	10,372	8,717	-
Donations	224	-	50	274	205
Capital Grants	-	-	506	506	411
	<u>224</u>	<u>-</u>	<u>556</u>	<u>780</u>	<u>616</u>
Total donations and capital grants	<u>305</u>	<u>(1,736)</u>	<u>10,928</u>	<u>9,497</u>	<u>616</u>

In 2015, of the total income from donations and capital grants, £205,000 was to unrestricted funds and £411,000 was to restricted funds

3. Income from charitable activities

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
Academy's educational operations	379	25,151	25,530	21,003
Children's Centre	-	175	175	166
	<u>379</u>	<u>25,326</u>	<u>25,705</u>	<u>21,169</u>

In 2015, of the total income from charitable activities, £393,000 was to unrestricted funds and £20,776,000 was to restricted funds.

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

Funding for Academy's educational operations

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
DfE/EFA grants				
General Annual Grant (GAG)	-	21,889	21,889	18,184
Pupil premium	-	1,064	1,064	954
Other EFA Income	-	357	357	417
	<u>-</u>	<u>23,310</u>	<u>23,310</u>	<u>19,555</u>
Other government grants				
National teaching school	-	825	825	412
Other Government grants	-	689	689	518
	<u>-</u>	<u>1,514</u>	<u>1,514</u>	<u>930</u>
Other funding				
School trip income	379	-	379	335
School meals income	-	72	72	-
Other income	-	255	255	183
	<u>379</u>	<u>327</u>	<u>706</u>	<u>518</u>
	<u>379</u>	<u>25,151</u>	<u>25,530</u>	<u>21,003</u>

In 2015, of the total income from charitable activities, £393,000 was to unrestricted funds and £20,610,000 was to restricted funds.

4. Income from other trading activities

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
Lettings income	36	-	36	29
Other income	279	-	279	77
Salary recharges	-	57	57	193
Academy consultancy income	28	-	28	106
	<u>343</u>	<u>57</u>	<u>400</u>	<u>405</u>

In 2015, of the total income from other trading activities, £106,000 was to unrestricted funds and £299,000 was to restricted funds.

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

5. Income from investment income

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
Bank interest	5	-	5	4

In 2015, of the total investment income, £4,000 was to unrestricted funds.

6. Expenditure

	Staff costs 2016 £000	Premises 2016 £000	Other costs 2016 £000	Total 2016 £000	Total 2015 £000
Academy's Educational Operations					
Direct costs	16,199	101	3,383	19,683	16,693
Support costs	2,986	1,947	2,341	7,274	5,728
Children's Centre: Direct costs	144	-	59	203	145
	<u>19,329</u>	<u>2,048</u>	<u>5,783</u>	<u>27,160</u>	<u>22,566</u>

In 2016, of the total expenditure, £1,017,000 (2015 - £501,000) was to unrestricted funds, £24,495,000 (2015 - £21,068,000) was to restricted funds and £1,213,000 (2015 - £997,000) was to restricted fixed asset funds.

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

7. Charitable activities

	Total funds 2016 £000	Total funds 2015 £000
Direct costs - educational operations		
Wages and salaries	12,811	11,174
National insurance	939	688
Pension cost	2,074	1,612
Pension deficit cost	286	204
Educational expenses	1,654	1,381
Examination fees	250	259
Staff development and recruitment	493	443
Other costs	11	23
School fund and trips costs	457	425
Insurance	174	90
Agency staff	534	482
	<u>19,683</u>	<u>16,781</u>
Support costs - educational operations		
Wages and salaries	2,443	1,674
National insurance	185	128
Pension cost	360	294
Depreciation	1,213	997
Maintenance of premises and equipment	1,440	1,197
Rent and rates	224	287
Heat and light	439	340
Travelling	25	14
Catering	371	313
Technology costs	280	198
Office expenses	263	239
Loss on the disposal of fixed asset	-	3
Governance	31	45
	<u>7,274</u>	<u>5,729</u>
	<u>26,957</u>	<u>22,510</u>
Other activities		
Childrens centre costs	203	145
	<u>27,160</u>	<u>22,655</u>

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

8. Net incoming resources/(resources expended)

This is stated after charging:

	2016	2015
	£000	£000
Depreciation of tangible fixed assets:		
- owned by the charity	1,213	997
Operating lease rentals	17	24
	<u><u> </u></u>	<u><u> </u></u>

9. Auditors' remuneration

	2016	2015
	£000	£000
Fees payable to the multi academy trust's auditor for the audit of the multi academy trust's annual accounts	23	20
Fees payable to the multi academy trust's auditor in respect of: Other services	3	3
	<u><u> </u></u>	<u><u> </u></u>

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

10. Staff

a. Staff costs

Staff costs were as follows:

	2016 £000	2015 £000
Wages and salaries	15,398	12,928
Social security costs	1,124	815
Operating costs of defined benefit pension schemes	2,435	1,906
	<u>18,957</u>	<u>15,649</u>
Agency and supply teacher costs	534	482
Staff restructuring costs	6	25
	<u>19,497</u>	<u>16,156</u>

b. Non statutory / non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments to one individual of £5,600.

c. Staff numbers

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

	2016 No.	2015 No.
Teachers	269	235
Non teaching staff	313	278
Management	54	37
	<u>636</u>	<u>550</u>

d. Higher paid staff

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

	2016 No.	2015 No.
In the band £60,001 - £70,000	10	8
In the band £70,001 - £80,000	3	2
In the band £80,001 - £90,000	2	2
In the band £160,001 - £170,000	-	1

One of the above employees participated in the Local Government Pension Scheme and the rest of the 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 2016

e. Key management personnel

The key management personnel of the academy trust compare the trustees and the senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £211,216 (2015: £278,162).

11. Central services

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

- Human resources
- Educational services
- Financial services
- Operations
- Legal and Governance
- Others as arising

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

Flat percentage of General Annual Grant (4.5%).

The actual amounts charged during the year were as follows:

	2016	2015
	£000	£000
Arthur Terry School	324	329
Stockland Green School	177	230
Slade Primary School	63	54
Brookvale Primary School	38	38
Hill West Primary School	65	65
Mere Green Primary School	54	56
The Coleshill School	152	-
	873	772
Total	873	772

12. Trustees' remuneration and expenses

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Chief Executive and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Chief Executive 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:

	2016	2015
	£000	£000
Sir Christopher Stone (Chief Executive and Trustee, resigned 7 December 2015)	25-30	160-165
Remuneration	0-5	15-20
Pension contributions paid		

During the year, no Trustees received any benefits in kind (2015 - £NIL).

During the year, no Trustees received any reimbursement of expenses (2015 - £NIL).

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

13. Trustees' and Officers' Insurance

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2016 was £1,200 (2015 - £384).

14. Tangible fixed assets

	Long term leasehold land and buildings £000	Plant and machinery £000	Motor vehicles £000	Computer equipment £000	Asset under construction £000	Total £000
Cost						
At 1 September 2015	47,999	519	35	471	-	49,024
Additions	980	165	-	133	56	1,334
On acquisition of new academy	10,279	42	-	51	-	10,372
At 31 August 2016	59,258	726	35	655	56	60,730
Depreciation						
At 1 September 2015	2,588	70	15	269	-	2,942
Charge for the year	1,014	61	5	133	-	1,213
At 31 August 2016	3,602	131	20	402	-	4,155
Net book value						
At 31 August 2016	55,656	595	15	253	56	56,575
At 31 August 2015	45,411	449	20	202	-	46,082

15. Debtors

	2016 £000	2015 £000
Trade debtors	60	65
VAT recoverable	178	57
Prepayments and accrued income	464	449
	702	571

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

16. Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Other loans	7	7
Trade creditors	46	30
Other taxation and social security	372	285
Other creditors	294	14
Accruals and deferred income	1,022	797
	<u>1,741</u>	<u>1,133</u>
	2016	2015
	£000	£000
Deferred income		
Deferred income at 1 September 2015	316	117
Resources deferred during the year	362	316
Amounts released from previous years	(239)	(117)
	<u>439</u>	<u>316</u>
Deferred income at 31 August 2016	<u>439</u>	<u>316</u>

At the balance sheet date the multi-academy trust was holding funds received in advance for educational grants and trips booked for the autumn term 2016,

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

	2016 £000	2015 £000
Other loans	<u>39</u>	<u>46</u>
Included within the above are amounts falling due as follows:		
	2016 £000	2015 £000
Between one and two years		
Other loans	<u>7</u>	<u>7</u>
Between two and five years		
Other loans	<u>21</u>	<u>21</u>
Over five years		
Other loans	<u>11</u>	<u>18</u>

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

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

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

	2016 £000	2015 £000
Repayable by instalments	11	18

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.

18. Statement of funds

	Balance at 1 September 2015 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Gains/ (Losses) £000	Balance at 31 August 2016 £000
Designated funds						
Designated Funds	1,250	-	(284)	-	-	966
General funds						
General Funds	505	1,032	(733)	-	-	804
Total Unrestricted funds	1,755	1,032	(1,017)	-	-	1,770
Restricted funds						
General Annual Grant (GAG)	662	21,889	(20,952)	(784)	-	815
Children's Centre	43	175	(203)	-	-	15
Other DfE/EFA grants	-	1,421	(1,421)	-	-	-
Other government grants	-	1,514	(1,514)	-	-	-
Other income	-	392	(392)	-	-	-
Pension reserve	(5,761)	(1,744)	(448)	-	(4,734)	(12,687)
	(5,056)	23,647	(24,930)	(784)	(4,734)	(11,857)

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

18. Statement of funds (continued)

Restricted fixed asset funds

	Balance at 1 September 2015 £000	Income £000	Expenditure £000	Gains, losses and transfers £000	Gains/ (Losses) £000	Balance at 31 August 2016 £000
Restricted Fixed Asset Funds	46,030	10,928	(1,213)	784	-	56,529
Total restricted funds	40,974	34,575	(26,143)	-	(4,734)	44,672
Total of funds	42,729	35,607	(27,160)	-	(4,734)	46,442

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.

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 2016.

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

18. Statement of funds (continued)

Analysis of academies by fund balance

Fund balances at 31 August 2016 were allocated as follows:

	Total 2016 £000	Total 2015 £000
Arthur Terry Learning Partnership	457	228
Arthur Terry School	280	276
Stockland Green School	1,205	1,082
Slade Primary School	371	275
Brookvale Primary School	51	70
Hill West Primary School	(289)	244
Mere Green School	407	285
The Coleshill School	118	-
Total before fixed asset fund and pension reserve	<u>2,600</u>	<u>2,460</u>
Restricted fixed asset fund	56,529	46,030
Pension reserve	(12,687)	(5,761)
Total	<u><u>46,442</u></u>	<u><u>42,729</u></u>

Included in the above revenue reserves balance of £2,589,000 are funds totalling £966,000 which the Trustees have designated for future capital projects. These amounts are broken down as follows:

Stockland Green School	£694,000
Slade Primary School	£194,000
Hill West School	£78,000

The following academy is carrying a net deficit on its proportion of the funds as follows:

Name of academy	Amount of deficit £
Hill West Primary School	(289)

Hill West Primary School is currently in the process of completing a capital project which has resulted in a deficit on its proportion of the revenue funds. This deficit will be rectified in the next accounting period.

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

18. Statement of funds (continued)

Analysis of academies by cost

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

	Teaching and educational support staff costs £000	Other support staff costs £000	Educational supplies £000	Other costs excluding depreciation £000	Total 2016 £000	Total 2015 £000
Arthur Terry Learning Partnership	309	-	-	-	309	696
Arthur Terry School	6,530	765	1,729	1,003	10,027	9,800
Stockland Green School	2,586	725	300	842	4,453	4,999
Slade Primary School	1,225	145	163	257	1,790	1,580
Brookvale Primary School	739	123	94	162	1,118	1,166
Hill West Primary School	1,199	136	180	249	1,764	1,737
Mere Green Primary School	1,117	151	174	311	1,753	1,591
The Coleshill School	2,493	941	357	235	4,026	-
	<u>16,198</u>	<u>2,986</u>	<u>2,997</u>	<u>3,059</u>	<u>25,240</u>	<u>21,569</u>

19. Analysis of net assets between funds

	Unrestricted funds 2016 £000	Restricted funds 2016 £000	Restricted fixed asset funds 2016 £000	Total funds 2016 £000	Total funds 2015 £000
Tangible fixed assets	-	-	56,576	56,576	46,080
Current assets	2,423	1,774	134	4,331	3,590
Creditors due within one year	(653)	(944)	(142)	(1,739)	(1,134)
Creditors due in more than one year	-	-	(39)	(39)	(46)
Provisions for liabilities and charges	-	(12,687)	-	(12,687)	(5,761)
	<u>1,770</u>	<u>(11,857)</u>	<u>56,529</u>	<u>46,442</u>	<u>42,729</u>

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

20. Reconciliation of net movement in funds to net cash flow from operating activities

	2016 £000	2015 £000
Net income/(expenditure) for the year (as per Statement of financial activities)	8,447	(461)
Adjustment for:		
Depreciation charges	1,213	997
Dividends, interest and rents from investments	(5)	(4)
Deficit on the sale of fixed assets	-	3
Increase in debtors	(131)	(93)
Increase in creditors	608	235
Capital grants from DfE and other capital income	(782)	(411)
Adjust for: gift from the Coleshill School	(8,628)	-
Defined benefit pension scheme cost less contributions payable	448	262
Net cash provided by operating activities	<u>1,170</u>	<u>528</u>

21. Analysis of cash and cash equivalents

	2016 £000	2015 £000
Cash in hand	3,632	3,016
Total	<u>3,632</u>	<u>3,016</u>

22. Capital commitments

At 31 August 2016 the multi academy trust had capital commitments as follows:

	2016 £000	2015 £000
Contracted for but not provided in these financial statements	452	448

23. 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 Multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £293,836 were payable to the schemes at 31 August 2016 (2015 - £nil) and are included within creditors.

Teachers' Pension Scheme

Introduction

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by

23. Pension commitments (continued)

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

The employer's pension costs paid to TPS in the period amounted to £1,915,353 (2015 - £1,227,000).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2016 was £1,044,000 (2015 - £885,000), of which employer's contributions totalled £796,000 (2015 - £678,000) and employees' contributions totalled £248,000 (2015 - £207,000). The agreed contribution rates for future years are 13.6% for employers and 5.5% to 10.5% 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

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

23. Pension commitments (continued)

Department for Education. The guarantee came into force on 18 July 2013.
Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	3.75 %	4.15 %
Rate of increase for pensions in payment / inflation	2.00 %	2.40 %
Inflation assumption (CPI)	2.40 %	2.40 %

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

	2016	2015
Retiring today		
Males	23.1	23.0
Females	25.8	25.2
Retiring in 20 years		
Males	25.3	25.6
Females	28.1	28.0

The multi academy trust's share of the assets in the scheme was:

	Fair value at 31 August 2016 £000	Fair value at 31 August 2015 £000
Equities	5,566	3,182
Debt instruments	1,573	931
Property	791	452
Cash/liquidity	482	266
Other	777	489
Total market value of assets	<u>9,189</u>	<u>5,320</u>

The actual return on scheme assets was £1,341,000 (2015 - £215,000).

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

	2016 £000	2015 £000
Current service cost (net of employee contributions)	955	735
Net interest cost	286	204
Administration expenses	3	1
Total	<u>1,244</u>	<u>(940)</u>
Actual return on scheme assets	<u>1,341</u>	<u>215</u>

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

23. Pension commitments (continued)

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

	2016 £000	2015 £000
Opening defined benefit obligation	11,081	9,349
Upon conversion	3,241	-
Current service cost	955	735
Interest cost	574	392
Contributions by employees	248	207
Actuarial losses	5,847	476
Benefits paid	(70)	(78)
	<u>21,876</u>	<u>11,081</u>
Closing defined benefit obligation	<u>21,876</u>	<u>11,081</u>

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

	2016 £000	2015 £000
Opening fair value of scheme assets	5,320	4,298
Upon conversion	1,497	-
Return on plan assets (excluding net interest on the net defined pension liability)	288	188
Actuarial gains and (losses)	1,113	28
Administration expenses	(3)	(1)
Contributions by employer	796	678
Contributions by employees	248	207
Benefits paid	(70)	(78)
	<u>9,189</u>	<u>5,320</u>
Closing fair value of scheme assets	<u>9,189</u>	<u>5,320</u>

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

24. Operating lease commitments

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2016	2015
	£000	£000
Amounts payable - Land and building:		
Within 1 year	880	868
Between 1 and 5 years	3,644	3,593
After more than 5 years	15,424	16,354
Total	19,948	20,815
Amounts payable - Other		
Within 1 year	49	79
Between 1 and 5 years	56	40
Total	105	119

The commitment under land and buildings represents the total amount payable under the BSF / PFI contracts that the multi-academy trust is subject to.

25. 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 the trust 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.

The multi-academy trust has made payments on an arms length basis to SR Taylor Education Consultancy Limited totalling £67,725 (2015 - £nil) in respect of Mrs S Taylor providing Interim Chief Executive Officer services for the period 1 November 2015 to 31 August 2016. In accordance with the multi-academy trust's Article of Association, the Chief Executive Officer has to be appointed as a Trustee and Director of the multi-academy trust.

In entering into the transaction the multi-academy trust has complied with the requirements of the Academies Financial Handbook 2015.

26. Controlling party

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

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

Notes to the Financial Statements
For the Year Ended 31 August 2016

27. First time adoption of FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014.

The policies applied under the multi academy trust's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.