

Company Registration Number: 08150106 (England & Wales)

LAUNCESTON COLLEGE

(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**



LAUNCESTON COLLEGE
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS

Members	P Crispin (resigned 10 December 2018) E Marshall C Webb (appointed 20 December 2018) L Kennedy (appointed 18 October 2019) R White (appointed 10 December 2018) S Phillips D Rogerson (appointed 7 November 2019)
Trustees	J Jackson (resigned 31 August 2019) C Penfold, Chief Executive (appointed 1 September 2019) C Webb (resigned 15 December 2018) A Ward (resigned 17 September 2018) E Marshall, Chair of Trustees D Humphries P Crispin (appointed 10 December 2018) A Shopland C Barnard (appointed 17 September 2018, resigned 31 August 2019) J Burnett (resigned 11 September 2018) J White (resigned 10 December 2018) G Sanders (appointed 10 December 2018) F Wojnarowska, Vice Chair (appointed 15 December 2018)
Company registered number	08150106
Principal and registered office	Launceston College, Hurdon Road, Launceston, Cornwall, PL15 9JR
Company secretary	T Broad
Accounting officer	J Jackson (resigned 31 August 2019) C Penfold (appointed 1 September 2019)
Senior management team	J Jackson, Executive Principal (resigned 31 August 2019) C Penfold, Executive Principal from 1 September 2019, Quality Assurance until 31 August 2019) B Maywood, Principal - Launceston C Ankers, Principal - Bideford K Harrison, Principal - Altarnun T Broad, Finance Director E Kerr, Principal- Egloskerry L Slater, Principal- Atlantic C Ankers, Principal - Bideford

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REFERENCE AND ADMINISTRATIVE DETAILS (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Independent auditors Griffin
Chartered Accountants
165 High Street
Honiton
EX14 1LQ

Bankers Natwest
Green Street
Truro
Cornwall
TR1 2LH

Solicitors Browne Jacobson
1 Manor Court
Dix's Field
Exeter
Devon
EX1 1UP

LAUNCESTON COLLEGE
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2019

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

Structure, governance and management

a. Constitution

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

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

The Trustees of Launceston College are also the directors of the charitable company for the purposes of company law.

The charitable company is known as Launceston College.

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

b. Members' liability

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

c. 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 Memorandum of Association.

The Multi Academy Trust's Board of Trustees comprises of the Chief Executive Officer (CEO), a minimum of two parent trustees and up to six other trustees.

Trustees are appointed via an election process. The total number of trustees, including the CEO, who are employees of the MAT will not exceed one third of the total number of trustees.

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

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

d. Policies adopted for the induction and training of Trustees

The MAT has a Governors' Handbook, which is issued to all trustees and local governors.

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

There is a trustees' development evening when the need arises (usually annually), which includes training sessions to keep the trustees updated on relevant developments impacting on their roles and responsibilities.

e. Organisational structure

The Board of Trustees meets at least three times per year and usually once each term. The Board establishes an overall framework for the governance of the Trust and determines membership, terms of reference and procedures of committees and other groups. It receives reports including policies from its committees for ratification. It monitors the activities of the committees through the minutes of their meetings. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

There is currently one permanent committee reporting to the board - the Finance and Assets Committee. This committee meets at least six times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an audit committee and evaluates and reviews policy and performance in relation to the MAT's assets.

Each academy also has a local governing body or Executive Board who meet once a term to monitor, evaluate and review policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues in their academy. From September 2019 the two primary boards will be merged into a primary cluster local governing body.

The responsibilities delegated by the MAT board are defined in the Scheme of Delegation of Authority and the Scheme of Delegation of Financial Authority.

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

The Board of Trustees have devolved responsibility for day to day management of the academies to the Executive Principal, Quality Assurance Lead, Finance Director and Academy Leadership Teams (ALT). ALT comprises the Principal and Assistant Principals. The ALT implement the policies laid down by the Trustees and report back to them on performance.

The Executive Principal is the Accounting Officer.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Structure, governance and management (continued)

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

The Launceston College MAT follows School Teachers' Pay and Conditions to determine the pay for all teaching members of staff. The pay of non-teaching staff is determined using the pay grades set out in the MAT pay policy and reviewed using the pay and grading system set by Trustees. The Executive Principal has the delegated authority for setting pay within the MAT and the MAT Board sets the pay for the Executive Principal.

g. Trade union facility time

Relevant union officials

Number of employees who were relevant union officials during the year	2
Full-time equivalent employee number	2

Percentage of time spent on facility time

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

Percentage of pay bill spent on facility time £

Total cost of facility time	1,350
Total pay bill	12,824,349
Percentage of total pay bill spent on facility time	- %

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	- %
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h. Related parties and other connected charities and organisations

There are no related parties which either control or significantly influence the decisions and operations of Launceston College Multi Academy Trust. There are no sponsors or formal Parent Teacher Associations associated with the MAT.

Objectives and activities

a. Objects and aims

The principal object and activity of the Launceston College Multi Academy Trust is to advance for the public benefit education in the United Kingdom, in particular by establishing, maintaining, carrying on, managing and developing the Multi Academy Trust, offering a broad range of curriculum for students of different abilities.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

The Multi Academy Trust's aim is for young people to be happy, successful and responsible by learning the knowledge skills and values that are important for society.

b. Objectives, strategies and activities

Atlantic Academy

Ensure students make excellent progress

- Marking and feedback promotes student progress
- Curriculum delivery ensures good progress

Ensure excellence in learning and teaching

- Teaching is at least good
- Learners are actively engaged in their own progress

Develop the whole student

- Raise aspiration of students and parents
- Identify those who need support
- Provide additional opportunities for all
- Recognise achievements of all

Positive engagement with the community

- Respect for each other and the environment we learn in
- Clear communication with parents and stakeholders
- Wider community engagements

Bideford College

Develop the impact of our curriculum through excellent learning and teaching

- Ensure that teachers teach sequences of lessons that enable students to securely acquire new knowledge and skills
- Resilient and knowledge rich learners
- Increased literacy skills of all students so that reading and writing skills are improved in all subject areas

Increase student engagement with our curriculum through improved attendance, enrichment opportunities, behaviour and support

- Overall improvement in whole college attendance figures
- Reduction in persistent absenteeism
- Students behave responsibly and appropriately outside of lessons
- Consistent application of behaviour policy
- Careers Education and Guidance prepares students to be successful in the work place
- Increased opportunity and take up of curriculum enrichment activities

Maximise the future opportunities of all our young people by improving student outcomes

- Improve the outcomes of all students so that progress improves year on year
- Increase the overall value added of sixth form outcomes
- Ensure the provision of appropriate support for pupils with SEND so that these students are prepared for their next stage of education or employment
- Increase the number of students achieving a grade 5 pass in English and Maths

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

Launceston College

Raise progress of all groups of students at Key Stage 4 and Key Stage 5, including disadvantaged students

- Progress 8 score for GCSE 2019 is 0.2+
- L3VA score for A levels 2019 is 0.2+

All teaching is vibrant, impactful and consistently good or better across the College

- Teaching is at least good

All teachers provide ambitious opportunities which inspire, challenge and transform students

- Successful, happy and responsible students

Primary Cluster

Curriculum Intent & Implementation - Primary Pedagogy, Quality and Standards: Inspire and influence others – within and beyond the school – to believe in the fundamental importance of education in young people's lives and to promote the value of education

- Create an outward-facing school which works with other schools and organisations
- Champion best Primary practice and secure excellent achievements and progress for all pupils
- Teach effectively, and engage with the process of developing effective teaching which supports learning and progress.
- All staff are empowered via skills and subject knowledge professional development

Outcomes & Achievement: Raise attainment and pupil progress in Reading, Writing and Maths to be in line with, or better than, national curriculum objective expectations for all cohorts and pupil groups (including pupil premium)

- Maths - by July 2020, improve the % of pupils achieving Expected and High standards in each cohort.
- Literacy - by July 2020, improve the % of pupils achieving Expected and High standards in each cohort in reading, writing
- EYFS - by July 2020, improve the % of pupils achieving Expected (Good Level of Development) and High standards (Exceeding) in EYFS

c. Public benefit

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

The Multi Academy Trust always strives to provide outstanding education and improve the levels of performance of its students at all levels. The Multi Academy Trust continues to aim to attract high quality teachers and support staff in order to deliver its objectives and advance for the public benefit education in our academies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Objectives and activities (continued)

Strategic report

Achievements and performance

a. Key performance indicators

Atlantic Academy

Results, in terms of progress, have improved in all areas. In terms of attainment there is work to be done in maths in the coming year.

	2019	2018
Cohort Size	36	12
Percentage of cohort achieving		
4+(A*-C) in English and maths	44%	35%
5+ in English and maths	22%	25%
4+ in the English Baccalaureate	22%	15%
5+ in the English Baccalaureate	6%	5%
Attainment		
Attainment 8	38.5	33.5
English	8.7	7.7
Maths	6.9	7.4
Ebacc	10.9	10.9
Other	10.3	7.5
Progress		
Progress 8	-0.48	-0.66
English	-0.35	-0.58
Maths	-0.36	-0.81
Ebacc	-0.20	-0.34
Other	-0.91	-0.97

Bideford College

Bideford College was taken into special measures in January 2015 and joined the Launceston College MAT in March 2016. GCSE results in 2019 with a below average ability cohort were an improvement on 2018. The results in 2018 with a significantly below average cohort were lower than 2017. A level results enabled students to move onto university, employment or further study.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

	2019	2018	2017
Cohort Size	227	203	231
Percentage of cohort achieving			
4+(A*-C) in English and maths	51%	46%	61%
5+ in English and maths	29%	27%	33%
4+ in the English Baccalaureate	27%	23%	26%
5+ in the English Baccalaureate	15%	13%	20%
Attainment			
Attainment 8	41.1	38.3	43.17
English	8.34	8.55	9.98
Maths	8.52	7.07	8.17
Ebacc	12.71	11.8	12.29
Other	11.53	10.9	12.72
Progress			
Progress 8	-0.43	-0.66	-0.25
English	-0.73	-0.58	0.09
Maths	-0.13	-0.81	-0.31
Ebacc	-0.09	-0.34	-0.01
Other	-0.80	-0.97	-0.67

KS5 Results	2018	2019
Academic points per entry	29.5	26.65
Academic points per entry National	33.7	33.7
Academic points per entry expressed as an A level grade	C	C
Applied General points per entry	24.4	22.71
Applied General points per entry National	28.5	28.37
Applied General points per entry expressed as a vocational grade	Merit	Merit
Average progress made in English (for those without an English GCSE grade by the end of KS4)	1.13	1.00
Average progress made in English National	0.06	0.15
Average progress made in Maths (for those without a Maths GCSE grade by the end of KS4)	0.5	0.67
Average progress made in Maths National	-0.06	0.10

Launceston College

GCSE results in 2019 with a below average ability cohort were an improvement on 2018 in terms of attainment. A level results enabled students to move onto university, employment or further study.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

	2019	2018	2017
Cohort Size	193	203	223
Percentage of cohort achieving			
4+(A*-C) in English and maths	61%	58%	60%
5+ in English and maths	39%	35%	28%
4+ in the English Baccalaureate	30%	23%	33%
5+ in the English Baccalaureate	14%	14%	29%
Attainment 8	44.6	43.2	46.3
English	9.4	9.3	10.2
Maths	8.6	8.4	9.9
Ebacc	13.1	12.5	15.3
Other	13.5	13.0	15.1
Progress 8	-0.26	-0.15	0.20
English	-0.38	-0.15	0.40
Maths	-0.27	-0.09	0.10
Ebacc	-0.18	-0.08	0.60
Other	-0.31	-0.25	-0.20

KS5 Results	2018	2019
Academic points per entry	28.6	31.22
Academic points per entry National	33.7	33.7
Academic points per entry expressed as an A level grade	C	C
Applied General points per entry	11.8	14.71
Applied General points per entry National	28.5	28.37
Applied General points per entry expressed as a vocational grade	Pass	Pass
Average progress made in English (for those without an English GCSE grade by the end of KS4)	0.34	0.25
Average progress made in English National	0.06	0.15
Average progress made in Maths (for those without a Maths GCSE grade by the end of KS4)	0.55	0.66
Average progress made in Maths National	-0.06	0.10

Egloskerry School

Cohort size 15.

There was an improvement in maths which was an area of focus in 2018-19 and this led to corresponding improvements in the combined reading, writing and maths score.

Reading, Writing and Maths Combined	2019	2018
% reaching expected standard	53	27
% reaching a high score/ working at greater depth	7	0

	Reading	Writing	Maths
Progress Score 2018	-0.11	-0.72	-3.87
Interpretation 2018	Average	Average	Well below average
Progress Score 2019	-2.49	-1.75	-2.92
Interpretation 2019	Average	Average	Below average

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31.AUGUST 2019

Strategic report (continued)

Achievements and performance (continued)

Altarnun School

Cohort size 4.

This school joined the trust in May 2019 so these results will act as a baseline for next year.

Reading, Writing and Maths Combined	2019
% reaching expected standard	50
% reaching a high score/ working at greater depth	0

	Reading	Writing	Maths
Progress Score 2019	-7.29	-7.87	-8.63
Interpretation 2019	Well below average	Well below average	Well below average

Launceston College – Good

Bideford College – Requires Improvement

Atlantic Academy – No grading

Egloskerry Primary School – Good

Altarnun Primary School – Requires Improvement

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 they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review

a. Reserves policy

MAT reserves are reviewed annually – this normally being at the time of budget setting.

The policy of the MAT is to carry forward a prudent level of resources designated to meet the long-term cyclical needs of renewal and any other unforeseen contingencies plus a contribution towards future capital projects.

Reserves are built up through close monitoring of the costs and income of the MAT and attempting to make cost savings on the budget throughout the financial year.

The Executive Principal or Finance Director can authorise movement to or from one or more specific reserves subject to the approval of the Finance and Assets Committee and in line with the MAT Scheme of Delegation.

The MAT considers reserves of the equivalent of at least two months' payroll to be an appropriate level, approximately £2.25m, with no fixed maximum because this will be dependent on the upcoming needs of each Academy Trust.

The level of reserves at the year ended 31 August 2019 is in excess of 2 months' payroll due to a number of reasons:

- Trustees have earmarked a contribution from reserves for a number of large projects such as the new 3G pitch, outdoor education centre and contribution towards a CIF project.
- Trustees are investing in property in order to reduce the spend on rent and increase income for the MAT.
- There are a number of grants which are not yet fully spent but that are 'restricted' for a certain use, therefore these funds need to be carried forward.
- Several faculties and departments have saved funds for specific projects, repairs or replacement equipment. This expenditure is expected in 19/20 and therefore the funds have been carried forward for this purpose.
- To assist with the decrease in funding and increase in expenditure expected over the next few years.

The level of free reserves held by the MAT at the year ended 31 August 2019 was £3.1m. The level of restricted reserves held by the MAT at the year ended 31 August 2019 was £759k excluding Pension and Fixed Asset Funds.

The defined benefit pension scheme reserve has a negative balance for all MAT schools. The effect of the deficit position of the pension scheme is that each Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust. The reserves policy will be reviewed annually.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

b. Investment policy

All arrangements concerning the investment of funds shall be made upon consultation of the Finance and Assets Committee.

Trustees are committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk.

The management of cash flow should ensure that there are always sufficient funds in the main bank accounts to cover operational cost. Banks must be selected from the FSI Approval List included in the Financial Services Compensation Scheme (FSCS).

Trustees authorise the movement of any funds not required for operating expenses into an instant access savings account by the Executive Principal or Finance Director in order to maximise the interest received.

Where significant funds have been accumulated that are not required in the short term for operational expenses, or as part of a planned surplus for a specific project, Trustees may consider the investment of these funds in order to generate a longer term income or capital fund. All arrangements concerning the investment of funds outside of the instant access savings account shall be made upon consultation of the Finance and Assets Committee and in accordance with the requirements of the Academies Financial Handbook.

The following criteria should be used in selecting an appropriate investment.

- What level of risk does the investment represent? The Trustees' approach to risk is cautious. Typical investments will include corporate bonds and fixed interest funds.
- The historical performance of the investment or fund.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

c. Principal risks and uncertainties

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

Financial - the MAT has considerable reliance on continued Government funding through the ESFA. In the last year 94% of the MAT's incoming resources was ultimately Government-funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Recruitment of students to the MAT academies will also be a key focus.

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

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

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

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

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

The trustees have assessed the major risks to which the MAT is exposed via a Risk Register, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls.

The trustees examine the financial health formally at least once per term, reviewing performance against budgets and overall expenditure by means of regular update reports at full Trustees' and Finance Committee meetings. At the year end, the MAT had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However as the Trustees consider that the MAT is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

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

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Strategic report (continued)

Financial review (continued)

d. Financial Performance Indicators

Using the school resources management self-assessment tool and the most up to date data on hand (October 19 census and 19/20 budget), the following lines have been RAG rated against other schools.

Key

Green = In line with other similar schools

Amber = Out of line with other schools (low or high)

Red = Considerably out of line with other schools (low or high)

APS = Altarnun Primary School

ATL = Atlantic Academy

BID = Bideford College

EGL = Eglosherry Primary School

LAU = Launceston College

	APS	ATL	BID	EGL	LAU
Spend on teaching staff as a percentage of total expenditure	High			High	
Spend on supply staff as a percentage of total expenditure					
Spend on education support staff as a percentage of total expenditure					
Spend on admin staff as a percentage of total expenditure				High	
Spend on other staff costs as a percentage of total expenditure					
Spend on premises as a percentage of total expenditure					
Spend on teaching resources as a percentage of total expenditure					
Spend on energy as a percentage of total expenditure				High	
Reserves					
Average teacher cost					
Senior leaders as a percentage of workforce	High				
Pupil to teacher ratio		Low			
Pupil to adult ratio		Low			
Teacher contact ratio		Low			
Average class size	Low		High		

The Finance and Assets Committee meet regularly to monitor current performance and expenditure against the current budgets. Temporary surplus funds are invested in the short term in a low risk instant access account to maximise interest received. The MAT works closely with its accountants to ensure systems are robust and targets are met.

The key financial performance indicator for the MAT is the adherence to the financial budgets set at the beginning of the financial year and completion of the budget period in surplus, both of which were met.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Fundraising

The Launceston College MAT undertook fundraising in the year ended 31 August 2019, including non-school uniform days and events from which funds are raised for both the MAT and for other charities.

Fundraising events are often student-led with students raising funds for their chosen 'House Charity' and are on a small scale.

The MAT does not work with any commercial participators, has not received any fundraising complaints and does not place undue pressure on any person to donate. Fundraising is monitored and to the best of our knowledge conforms to recognised standards.

Plans for future periods

The Multi Academy Trust will continue to strive to provide outstanding education and improve the levels of performance of its students at all levels. The Multi Academy Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

The Multi Academy Trust will continue to work with partner schools to improve the educational opportunities for students in the wider community.

Funds held as custodian on behalf of others

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

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.

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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

Disclosure of information to auditors

Insofar as the Trustees are aware:

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

Auditors

The auditors, Griffin, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

The Trustees' report, incorporating a strategic report, was approved by order of the board of Trustees, as the company directors, on 20/12/19 and signed on its behalf by:



P Crispin
(Trustee)

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT

Scope of responsibility

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

The board of Trustees has delegated the day-to-day responsibility to the Principal, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Launceston College 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.

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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 5 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
J Jackson (resigned 31 August 2019)	5	5
C Penfold, Chief Executive (appointed 1 September 2019)	0	0
C Webb (resigned 15 December 2018)	1	2
A Ward (resigned 17 September 2018)	0	1
E Marshall, Chair of Trustees	5	5
D Humphries	5	5
P Crispin (appointed 10 December 2018)	3	4
A Shopland	4	5
C Barnard (appointed 17 September 2018, resigned 31 August 2019)	5	5
J Burnett (resigned 11 September 2018)	0	1
J White (resigned 10 December 2018)	2	2
G Sanders (appointed 10 December 2018)	4	4
F Wojnarowska, Vice Chair (appointed 15 December 2018)	2	3

During the year the composition of the Board of Trustees remained broadly consistent. The Finance Director resigned as a Trustee following the release of new 'best practice' guidance from the ESFA and the Trust now operates with the CEO being the only staff trustee.

Governance reviews

Trustee and governor training is arranged as and when necessary, dependent on the skillset and experience of the current members.

Due to the consistency of board membership during 2018/19 and the experience of current members, a full training evening was not deemed necessary.

The skillset and experience of the board is reviewed at each Finance and Assets Committee meeting and gaps are identified for recruitment and training purposes. At each meeting Trustees review the data presented to them and evaluate how it can be adjusted and improved to provide the board with the key information that it needs. This method of continuous review and improvement has enabled the board to develop reports that work for them and enable their work to be effective and impactful.

The Finance and Assets Committee is a sub-committee of the main Board of Trustees.

Membership

1 x Chair of MAT Board
1 x Chief Executive Officer/Executive Principal
5 x Trustees

Members who are not MAT Board Trustees can attend meetings and will have voting rights as long as the majority of Committee members are Trustees.

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

Quorum

The quorum shall be three members. The majority of voting Committee members at each meeting must be Trustees. Staff members cannot vote when undertaking Audit Committee matters.

Chair

The Committee shall appoint a Chair and Vice Chair in the autumn term of each year.

Meetings

The Committee shall meet at least six times per year.

Terms of Reference

The Committee will be responsible for the following:

- Providing support for MAT staff and the MAT board on all matters relating to academy premises, grounds, security and health and safety.
- Undertaking an annual Health and Safety review of each academy with the support of nominated representatives from the Local Governing Body of that school to ensure that the academy complies with health and safety regulations.
- Work with academy staff to inspect the premises and grounds and prepare a statement of priorities for maintenance, redecoration and improvements.
- To approve tenders and arrangements for maintenance, redecoration and improvements within the constraints of the budget allocated for this purpose.
- To oversee the preparation of tenders and implementation of buildings and grounds contracts.
- To provide guidance and assistance in all matters relating to budgeting and finance.
- To prepare and review financial policy statements including consideration of long term planning and resourcing.
- To consider the annual management plan priorities and present an annual budget to the MAT Board for approval.
- To monitor the income and expenditure of all public funds and report the financial situation to the MAT board each term.
- To recommend the level of delegation for the day to day financial management of each academy.
- To vire funds, if necessary, within the limits set by the MAT board.
- To ensure the audit of non-public funds for presentation to the MAT board.
- To receive and where appropriate respond to periodic audit reports of public funds.

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Governance (continued)

- To review and recommend for adoption the procedures for dealing with discipline and grievance and ensure that staff are informed of them.
- To draft and review, in consultation with staff, criteria for redundancy for the approval of the MAT board.
- To draft criteria for the approval of the MAT board about the use of discretionary elements of pay provisions and make recommendations about implementing them.
- To establish the annual and longer term salary budgets and other costs relating to personnel.
- To review the staffing structure whenever a vacancy occurs within an academy and at least annually in relation to each academy's management plan.

The Finance and Assets Committee will also act as the Audit Committee and will undertake the following duties:

- Achieving internal scrutiny which delivers objective and independent assurance. This means that staff employed by the trust should not participate as members when audit matters are discussed; they may remain in attendance to provide information and participate in discussions.
- The Committee's work must focus on providing assurances to the board of the Trustees that risks are being adequately identified and managed by:
 - o Reviewing the risks to internal financial control at the trust
 - o Agreeing a programme of work to address, and provide assurance on, those risks
- The outcome of the work should inform the governance statements that accompany the trust's annual accounts and, so far as is possible, provide assurance to external auditors.

Attendance during the year at meetings was as follows:

Trustee	Meetings attended	Out of a possible
J Jackson (resigned 31 August 2019)	4	5
E Marshall	4	5
C Webb (resigned 15 December 2018)	2	2
T Broad	4	5
D Humphries	3	5
R White (appointed 10 December 2018)	2	2
A Shopland	4	5
G Sanders	2	3
C Barnard (appointed 17 September 2018, resigned 31 August 2019)	4	5
P Crispin (appointed 10 December 2018)	3	3

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Review of value for money

As accounting officer, the Principal 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:

1. Using benchmarking data from other academies to identify areas for improvement
2. Promoting a culture of financial caution
3. Regularly reviewing operations to see if a more efficient method can be used.

The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can, therefore, only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of 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 Launceston College for the year 1 September 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements.

Capacity to handle risk

The board of Trustees has reviewed the key risks to which the 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 2018 to 31 August 2019 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of Trustees.

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

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

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 Griffin Chartered Accountants, the external auditors, to perform additional checks.

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

- Purchase and cash receipts
- Financial budgeting and monitoring
- Fixed assets
- Payroll
- Income
- Governance and risk management

On a semi-annual basis, the internal auditor reports to the board of Trustees through the Finance and Assets committee on the operation of the systems of control and on the discharge of the Trustees' financial responsibilities.

The internal auditor delivered their schedule of work as intended and a plan is in place to address weaknesses and ensure continuous improvement.

Review of effectiveness

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

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

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

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (CONTINUED)

Approved by order of the members of the board of Trustees on 20/12/19 and signed on their behalf by:



P Crispin
Trustee



C Penfold
Accounting Officer

LAUNCESTON COLLEGE
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

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

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

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



C Penfold
Accounting Officer
Date: 20/12/19

LAUNCESTON COLLEGE
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2019

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Academies Accounts Direction published by the Education & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of Trustees on 20/12/19 and signed on its behalf by:



P Crispin
(Trustee)

LAUNCESTON COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LAUNCESTON COLLEGE**

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the Multi Academy Trust's affairs as at 31 August 2019 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2018 to 2019 issued by the Education & Skills Funding Agency.

Basis for opinion

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

Conclusions relating to going concern

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

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

LAUNCESTON COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LAUNCESTON COLLEGE (CONTINUED)**

Other information

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

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

LAUNCESTON COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LAUNCESTON COLLEGE (CONTINUED)**

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the 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, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

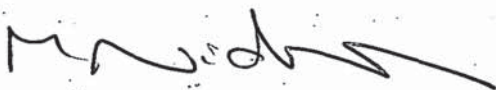
Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

This report is made solely to the charitable 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 charitable 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 charitable Multi Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Misty Nickells FCA (Senior statutory auditor)
for and on behalf of

Griffin
Chartered Accountants
Registered Auditors

165 High Street
Honiton
EX14 1LQ

Date: 23/12/19

LAUNCESTON COLLEGE
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
LAUNCESTON COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 31 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2018 to 2019, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Launceston College during the year 1 September 2018 to 31 August 2019 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Launceston College's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of Launceston College's funding agreement with the Secretary of State for Education dated 19 December 2012 and the Academies Financial Handbook, extant from 1 September 2018, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2018 to 2019. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2018 to 31 August 2019 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

Approach

We conducted our engagement in accordance with the Academies Accounts Direction 2018 to 2019 issued by ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Conclusion

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

LAUNCESTON COLLEGE
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO
LAUNCESTON COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY (CONTINUED)



Misty Nickells FCA

Griffin

165 High Street
Honiton
EX14 1LQ

Date: 23/12/19

LAUNCESTON COLLEGE
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 AUGUST 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Income from:						
Donations and capital grants:	3					
Transfer of academies joining the trust		63,325	(137,596)	7,512,698	7,438,427	1,498,849
Other donations and capital grants		53,667	-	719,010	772,677	1,400,387
Charitable activities		711,423	15,577,659	-	16,289,082	14,468,088
Other trading activities		311,768	-	-	311,768	334,357
Investments	6	15,256	-	-	15,256	5,200
Total income		1,155,439	15,440,063	8,231,708	24,827,210	17,706,881
Expenditure on:						
Raising funds		333,747	-	-	333,747	233,025
Charitable activities		11,879	16,568,970	836,247	17,417,096	15,265,026
Total expenditure		345,626	16,568,970	836,247	17,750,843	15,498,051
Net income/(expenditure)		809,813	(1,128,907)	7,395,461	7,076,367	2,208,830
Transfers between funds	17	(210,908)	(95,518)	306,426	-	-
Net movement in funds before other recognised gains/(losses)		598,905	(1,224,425)	7,701,887	7,076,367	2,208,830
Other recognised gains/(losses):						
Actuarial losses on defined benefit pension schemes	23	-	(1,581,979)	-	(1,581,979)	1,319,000
Net movement in funds		598,905	(2,806,404)	7,701,887	5,494,388	3,527,830

LAUNCESTON COLLEGE
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
(CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £	Total funds 2018 £
Reconciliation of funds:					
Total funds brought forward	2,507,486	(3,274,814)	55,615,779	54,848,451	51,320,621
Net movement in funds	598,905	(2,806,404)	7,701,887	5,494,388	3,527,830
Total funds carried forward	3,106,391	(6,081,218)	63,317,666	60,342,839	54,848,451

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

The notes on pages 37 to 70 form part of these financial statements.

LAUNCESTON COLLEGE
(A company limited by guarantee)
REGISTERED NUMBER: 08150106

BALANCE SHEET
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Fixed assets			
Tangible assets	14	62,645,278	54,782,414
		<u>62,645,278</u>	<u>54,782,414</u>
Current assets			
Debtors	15	1,020,596	1,501,066
Cash at bank and in hand		4,894,698	3,715,368
		<u>5,915,294</u>	<u>5,216,434</u>
Creditors: amounts falling due within one year	16	(1,377,174)	(723,397)
Net current assets		<u>4,538,120</u>	<u>4,493,037</u>
Total assets less current liabilities		<u>67,183,398</u>	<u>59,275,451</u>
Net assets excluding pension liability		<u>67,183,398</u>	<u>59,275,451</u>
Defined benefit pension scheme liability	23	(6,840,559)	(4,427,000)
Total net assets		<u><u>60,342,839</u></u>	<u><u>54,848,451</u></u>
Funds of the Multi Academy Trust			
Restricted funds:			
Fixed asset funds	17	63,317,666	55,615,779
Restricted income funds	17	759,341	1,152,186
		<u>64,077,007</u>	<u>56,767,965</u>
Restricted funds excluding pension asset	17	64,077,007	56,767,965
Pension reserve	17	(6,840,559)	(4,427,000)
Total restricted funds	17	<u>57,236,448</u>	<u>52,340,965</u>
Unrestricted income funds	17	<u>3,106,391</u>	<u>2,507,486</u>
Total funds		<u><u>60,342,839</u></u>	<u><u>54,848,451</u></u>

LAUNCESTON COLLEGE
(A company limited by guarantee)

BALANCE SHEET (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2019

The financial statements on pages 32 to 70 were approved by the Trustees, and authorised for issue on 20/12/19 and are signed on their behalf, by:



P Crispin
(Trustee)

The notes on pages 37 to 70 form part of these financial statements.

LAUNCESTON COLLEGE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2019

	Note	2019 £	2018 £
Cash flows from operating activities			
Net cash provided by operating activities	19	1,030,488	405,168
Cash flows from investing activities	21	85,517	6,219
Cash flows from financing activities	20	63,325	76,849
Change in cash and cash equivalents in the year		1,179,330	488,236
Cash and cash equivalents at the beginning of the year		3,715,368	3,227,132
Cash and cash equivalents at the end of the year	22	<u>4,894,698</u>	<u>3,715,368</u>

The notes on pages 37 to 70 form part of these financial statements

LAUNCESTON COLLEGE
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the Multi Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historic cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2018 to 2019 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Launceston College meets the definition of a public benefit entity under FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the 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 Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Multi 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.

LAUNCESTON COLLEGE
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.3 Income

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

- **Grants**

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

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

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

- **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 year in which it is receivable (where there are no performance-related conditions) where receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other income**

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.4 Expenditure

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

- **Expenditure on raising funds**

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

- **Charitable activities**

These are costs incurred on the 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.

1.5 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 institution with whom the funds are deposited.

1.6 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 Part 11, chapter 3 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

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**NOTES TO THE FINANCIAL STATEMENTS
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1. Accounting policies (continued)

1.7 Tangible fixed assets

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

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

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

Freehold property	- 2 - 10% straight line
Furniture and fixtures	- 20% straight line
Motor vehicles	- 25% straight line
Computer equipment	- 33% straight line

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

1.8 Debtors

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

1.9 Cash at bank and in hand

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

1.10 Liabilities

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the 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.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

1. Accounting policies (continued)

1.11 Provisions

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

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

1.12 Financial instruments

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

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

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

1.13 Operating leases

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

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.

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. TPS is an unfunded multi-employer scheme with no underlying assets to assign between employers. Consequently, the TPS is treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

1.15 Agency arrangements

The Multi Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at the period end are disclosed in Note 27.

1.16 Fund accounting

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

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

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

2. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost or income for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 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 2016 has been used by the actuary in valuing the pensions liability at 31 August 2019. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

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

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

3. Income from donations and capital grants

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Transfer of academies joining the trust	63,325	7,375,102	7,438,427	-
	63,325	7,375,102	7,438,427	-
Donations	53,667	-	53,667	1,529,968
Capital Grants	-	719,010	719,010	1,369,268
Subtotal	53,667	719,010	772,677	2,899,236
	116,992	8,094,112	8,211,104	2,899,236
<i>Total 2018</i>	107,968	2,791,268	2,899,236	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

4. Funding for the Multi Academy Trust's educational operations

	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
DfE/ESFA grants				
General Annual Grant	-	13,951,867	13,951,867	12,422,731
Other DfE/ESFA Grants	-	503,072	503,072	311,692
Pupil Premium	-	751,662	751,662	691,602
	-	15,206,601	15,206,601	13,426,025
Other government grants				
Special Educational Needs	-	225,361	225,361	362,380
Other government grants	-	94,862	94,862	59,680
	-	320,223	320,223	422,060
Other funding				
Other income from the Multi Academy Trust's educational operations	711,423	50,835	762,258	620,003
	711,423	15,577,659	16,289,082	14,468,088
Total 2018	619,503	13,848,585	14,468,088	

5. Income from other trading activities

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Hire of facilities	128,821	128,821	138,474
Other	182,947	182,947	195,883
	311,768	311,768	334,357

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

6. Investment income

	Unrestricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
Investment income	15,256	15,256	5,200

7. Expenditure

	Staff Costs 2019 £	Premises 2019 £	Other 2019 £	Total 2019 £	Total 2018 £
Expenditure on raising voluntary income:					
Direct costs	-	-	315,408	315,408	210,964
Expenditure on fundraising trading activities:					
Direct costs	-	-	18,339	18,339	22,061
Direct costs--Educational operations:					
Direct costs	10,910,944	598,858	868,599	12,378,401	11,002,204
Allocated support costs	2,648,527	1,167,898	1,222,270	5,038,695	4,262,822
	<u>13,559,471</u>	<u>1,766,756</u>	<u>2,424,616</u>	<u>17,750,843</u>	<u>15,498,051</u>
<i>Total 2018</i>	<u>12,072,259</u>	<u>1,622,225</u>	<u>1,803,567</u>	<u>15,498,051</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

8. Analysis of expenditure by activities

	Activities undertaken directly 2019 £	Support costs 2019 £	Total funds 2019 £	Total funds 2018 £
Education	12,378,401	5,038,695	17,417,096	15,265,026
<i>Total 2018</i>	<i>11,002,204</i>	<i>4,262,822</i>	<i>15,265,026</i>	

Analysis of direct costs

	Total funds 2019 £	Total funds 2018 £
Staff costs	10,899,524	9,701,976
Depreciation	692,031	694,323
Educational supplies	331,260	236,929
Examination fees	310,880	240,408
Other costs	14,585	21,186
Supply teachers	11,420	28,559
Technology costs	118,701	78,823
	12,378,401	11,002,204

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**NOTES TO THE FINANCIAL STATEMENTS
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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2019 £	Total funds 2018 £
Pension income	122,542	131,000
Staff costs	2,645,470	2,341,724
Depreciation	144,216	145,158
Staff development	85,092	91,468
Recruitment and other staff costs	11,176	4,747
Maintenance of premises and equipment	362,352	394,108
Cleaning	71,146	39,562
Rent and rates	248,484	191,378
Heat and light	360,823	216,239
Insurance	69,849	67,218
Security and transport	183,491	60,737
Catering	344,081	307,174
Technology costs	99,293	98,614
Office overheads	99,365	54,511
Legal and professional	159,195	99,465
Bank interest and charges	6,910	6,246
Governance costs	25,210	13,473
	5,038,695	4,262,822

9. Net income/(expenditure)

Net income/(expenditure) for the year includes:

	2019 £	2018 £
Operating lease rentals	81,117	90,473
Depreciation of tangible fixed assets	836,248	839,481
Fees paid to auditors for:		
- audit	9,250	8,250
- other services	7,170	3,000

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

10. Staff costs

a. Staff costs

Staff costs during the year were as follows:

	2019 £	2018 £
Wages and salaries	10,220,207	9,119,164
Social security costs	928,154	825,614
Pension costs	2,337,356	2,076,659
	<u>13,485,717</u>	<u>12,021,437</u>
Agency staff costs	11,420	28,559
Staff restructuring costs	59,277	22,263
	<u>13,556,414</u>	<u>12,072,259</u>

Staff restructuring costs comprise:

	2019 £	2018 £
Severance payments	59,277	22,263
	<u>59,277</u>	<u>22,263</u>

b. Non-statutory/non-contractual staff severance payments

Included within staff restructuring costs are non-statutory / non-contractual severance payments totalling £28,672 (2018: Nil). Individually the payments were £14,622, £10,000 and £4,050.

c. Staff numbers

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

	2019 No.	2018 No.
Teaching	177	182
Administration and support	259	219
Management	17	15
	<u>453</u>	<u>416</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

10. Staff costs (continued)

c. Staff numbers (continued)

The average headcount expressed as full-time equivalents was:

	2019 No.	2018 No.
Teaching	151	152
Administration and support	160	135
Management	16	15
	<u>327</u>	<u>302</u>

d. Higher paid staff

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

	2019 No.	2018 No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	2	2
In the band £80,001 - £90,000	-	1
In the band £100,001 - £110,000	1	1
	<u>5</u>	<u>6</u>

e. Key management personnel

The key management personnel of the Multi Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team of the MAT 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 Multi Academy Trust was £734,934 (2018: £530,553).

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**NOTES TO THE FINANCIAL STATEMENTS
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11. Central services

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

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

- Finance function
- Payroll function
- Health and Safety function
- School Improvement function
- Leadership
- IT function
- Estates management function
- Bank charges
- Trustees expenses
- MAT staff ICT
- Shared service level agreements

The Trust charges for these services on the following basis:

4.9% of General Annual Grant income (2018: Student numbers with the exception of school improvement)

The actual amounts charged during the year were as follows:

	2019 £	2018 £
Launceston College	332,280	273,489
Bideford College	361,104	291,831
Egloskerry Primary School	21,840	20,193
Atlantic Academy	56,736	-
Altarnun Primary School	6,112	-
Total	778,072	585,513

12. Trustees' remuneration and expenses

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

		2019 £	2018 £
J Jackson (resigned 31 August 2019)	Remuneration	105,000 - 110,000	105,000 - 110,000
	Pension contributions paid	15,000 - 20,000	15,000 - 20,000
T Broad (resigned 31 January 2018)	Remuneration		20,000 - 25,000
	Pension contributions paid		0 - 5,000

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**NOTES TO THE FINANCIAL STATEMENTS
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12. Trustees' remuneration and expenses (continued)

During the year ended 31 August 2019, expenses totalling £126 were reimbursed or paid directly to 2 Trustees (2018 - £35 to 1 Trustee). These were reimbursements for a payment made in error, solicitors fees relating to the acquisition of Atlantic Academy and postage.

13. Trustees' and Officers' insurance

The trust has opted into the Department of Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £5,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme membership (2018 - £1,079).

14. Tangible fixed assets

	Freehold property £	Furniture and equipment £	Computer equipment £	Motor vehicles £	Total £
Cost or valuation					
At 1 September 2018	57,335,976	104,855	300,248	70,666	57,811,745
Additions	1,027,112	28,124	113,176	18,000	1,186,412
On academies joining the trust	7,357,336	1,638	153,725	-	7,512,699
At 31 August 2019	65,720,424	134,617	567,149	88,666	66,510,856
Depreciation					
At 1 September 2018	2,667,703	62,206	258,639	40,783	3,029,331
Charge for the year	723,657	13,004	84,498	15,088	836,247
At 31 August 2019	3,391,360	75,210	343,137	55,871	3,865,578
Net book value					
At 31 August 2019	62,329,064	59,407	224,012	32,795	62,645,278
At 31 August 2018	54,668,273	42,649	41,609	29,883	54,782,414

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**NOTES TO THE FINANCIAL STATEMENTS
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15. Debtors

	2019 £	2018 £
Due within one year		
Trade debtors	85,046	27,822
Amounts owed by group undertakings	3,905	6,000
Other debtors	38	76,856
Prepayments and accrued income	931,607	1,390,388
	<u>1,020,596</u>	<u>1,501,066</u>

16. Creditors: Amounts falling due within one year

	2019 £	2018 £
Trade creditors	160,580	70,759
Other taxation and social security	207,911	-
Other creditors	286,203	214,787
Accruals and deferred income	722,480	437,851
	<u>1,377,174</u>	<u>723,397</u>

	2019 £	2018 £
Deferred income at 1 September 2018	65,603	670
Resources deferred during the year	44,133	65,603
Amounts released from previous periods	(65,603)	(670)
	<u>44,133</u>	<u>65,603</u>

At the balance sheet date the Trust was holding funds received in advance of the 2019/20 year.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2019**

17. Statement of funds

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
Unrestricted funds						
General Funds	2,507,486	1,155,439	(345,626)	(210,908)	-	3,106,391
Restricted general funds						
General Annual Grant (GAG)	972,186	13,951,867	(14,291,393)	(95,518)	-	537,142
Special Educational Needs	-	225,361	(225,361)	-	-	-
Pupil Premium	-	751,662	(751,662)	-	-	-
Other government grants	180,000	597,934	(555,735)	-	-	222,199
Other income restricted	-	50,835	(50,835)	-	-	-
Pension reserve	(4,427,000)	(137,596)	(693,984)	-	(1,581,979)	(6,840,559)
	<u>(3,274,814)</u>	<u>15,440,063</u>	<u>(16,568,970)</u>	<u>(95,518)</u>	<u>(1,581,979)</u>	<u>(6,081,218)</u>
Restricted fixed asset funds						
Fixed assets transferred on conversion	52,872,195	7,512,698	(721,354)	-	-	59,663,539
Fixed assets purchased from GAG and other restricted funds	290,669	-	(60,246)	86,115	-	316,538
DfE / ESFA capital grants	1,932,811	646,053	(48,270)	9,403	-	2,539,997
Other capital grants	520,104	72,957	(5,779)	-	-	587,282
Fixed assets purchased from unrestricted funds	-	-	(598)	210,908	-	210,310

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

	Balance at 1 September 2018 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2019 £
	55,615,779	8,231,708	(836,247)	306,426	-	63,317,666
Total Restricted funds	52,340,965	23,671,771	(17,405,217)	210,908	(1,581,979)	57,236,448
Total funds	54,848,451	24,827,210	(17,750,843)	-	(1,581,979)	60,342,839

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

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

Special Educational Needs - Funding received by the local authority to fund further support for students with additional needs.

Pupil Premium - Pupil Premium represents funding received from the ESFA for children that qualify for free school meals to enable the Trust to address the current underlying inequalities between those children and their wealthier peers.

Other Government grants - other income from the ESFA/DfE and local government for restricted purposes.

Other restricted income - Other income received with specific restrictions.

Pension Reserve - This represents the Trust's share of the assets and liabilities in the Local Government Pension Scheme.

Fixed Asset Restricted Funds

Fixed assets transferred on conversion - This represents the buildings and equipment donated to the school from the Local Authority on conversion to an academy.

DfE/ESFA Capital Grants - Funds received for direct expenditure on fixed asset projects. The balance at the year end represents the net book value of assets purchased and any unspent grant amounts.

Fund Transfers

A transfer has been made between GAG funding and restricted fixed assets to reflect capital items purchased in the year using GAG funding.

A transfer has been made from restricted fixed asset funds in relation to DfE/ESFA funding that was for capital works that have been spent towards projects which have not been capitalised in the accounts.

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17. Statement of funds (continued)

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

Total funds analysis by academy

Fund balances at 31 August 2019 were allocated as follows:

	2019 £	2018 £
Launceston College	1,778,479	1,696,905
Bideford College	1,765,749	1,591,394
Egloskerry Primary School	134,316	87,083
Atlantic Academy	32,187	-
Altarnun Primary School	3,225	-
Central Services	151,776	284,290
Total before fixed asset funds and pension reserve	3,865,732	3,659,672
Restricted fixed asset fund	63,317,666	55,615,779
Pension reserve	(6,840,559)	(4,427,000)
Total	60,342,839	54,848,451

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

Total cost analysis by academy

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2019 £	Total 2018 £
Launceston College	4,574,875	745,457	595,809	659,797	6,575,938	6,572,529
Bideford College	4,716,139	879,279	402,124	871,275	6,868,817	6,455,597
Egloskerry Primary School	285,917	48,728	18,326	59,469	412,440	397,053
Atlantic Academy	706,694	139,164	67,683	300,555	1,214,096	-
Altarnun Primary School	71,012	14,804	14,425	32,384	132,625	-
Central Services	390,464	401,017	22,226	896,973	1,710,680	1,233,391
Multi Academy Trust	10,745,101	2,228,449	1,120,593	2,820,453	16,914,596	14,658,570

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

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

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	1,705,487	1,067,028	(265,029)	-	-	2,507,486
Restricted general funds						
General Annual Grant (GAG)	1,083,112	12,422,731	(12,499,872)	(33,785)	-	972,186
Special Educational Needs	-	362,380	(362,380)	-	-	-
Start up grant	18,243	-	(18,243)	-	-	-
Pupil Premium	-	691,602	(691,602)	-	-	-
Other government grants	-	371,372	(170,944)	(20,428)	-	180,000
Other income restricted	-	500	(500)	-	-	-
Pension reserve	(4,998,000)	(98,000)	(650,000)	-	1,319,000	(4,427,000)
	<u>(3,896,645)</u>	<u>13,750,585</u>	<u>(14,393,541)</u>	<u>(54,213)</u>	<u>1,319,000</u>	<u>(3,274,814)</u>
Restricted fixed asset funds						
Fixed assets transferred on conversion	51,994,967	1,520,000	(642,772)	-	-	52,872,195
Fixed assets purchased from GAG and other restricted funds	114,188	-	(58,156)	234,637	-	290,669
DfE / ESFA capital grants	1,394,968	855,150	(136,883)	(180,424)	-	1,932,811
Other capital grants	7,656	514,118	(1,670)	-	-	520,104

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**NOTES TO THE FINANCIAL STATEMENTS
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17. Statement of funds (continued)

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
	53,511,779	2,889,268	(839,481)	54,213	-	55,615,779
Total Restricted funds	49,615,134	16,639,853	(15,233,022)	-	1,319,000	52,340,965
Total funds	51,320,621	17,706,881	(15,498,051)	-	1,319,000	54,848,451

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2019 £	Restricted funds 2019 £	Restricted fixed asset funds 2019 £	Total funds 2019 £
Tangible fixed assets	-	-	62,645,278	62,645,278
Current assets	4,483,565	759,341	672,388	5,915,294
Creditors due within one year	(1,377,174)	-	-	(1,377,174)
Provisions for liabilities and charges	-	(6,840,559)	-	(6,840,559)
Total	3,106,391	(6,081,218)	63,317,666	60,342,839

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18. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2018 £</i>	<i>Restricted funds 2018 £</i>	<i>Restricted fixed asset funds 2018 £</i>	<i>Total funds 2018 £</i>
Tangible fixed assets	-	-	54,782,414	54,782,414
Current assets	3,230,883	1,152,186	833,365	5,216,434
Creditors due within one year	(723,397)	-	-	(723,397)
Provisions for liabilities and charges	-	(4,427,000)	-	(4,427,000)
Total	2,507,486	(3,274,814)	55,615,779	54,848,451

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

	2019 £	2018 £
Net income for the year (as per Statement of financial activities)	7,076,367	2,208,830
Adjustments for:		
Depreciation	836,247	839,481
Capital grants from DfE and other capital income	(772,677)	(1,444,432)
Interest from investments	(15,256)	(5,200)
Defined benefit pension scheme cost less contributions payable	569,384	519,000
Defined benefit pension scheme finance cost	124,600	131,000
Decrease/(increase) in debtors	44,484	(139,204)
Increase/(decrease) in creditors	605,766	(205,458)
Net (loss) on assets and liabilities from local authority on conversion	(7,438,427)	(1,498,849)
Net cash provided by operating activities	1,030,488	405,168

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**NOTES TO THE FINANCIAL STATEMENTS
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20. Cash flows from financing activities

	2019 £	2018 £
Cash transferred	63,325	76,849
Net cash provided by financing activities	63,325	76,849

21. Cash flows from investing activities

	2019 £	2018 £
Dividends, interest and rents from investments	15,256	5,200
Purchase of tangible fixed assets	(1,138,401)	(715,704)
Capital grants from DfE Group	1,208,662	716,723
Net cash provided by investing activities	85,517	6,219

22. Analysis of cash and cash equivalents

	2019 £	2018 £
Cash in hand	4,894,698	3,715,368
Total cash and cash equivalents	4,894,698	3,715,368

23. Pension commitments

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

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2016.

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

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23. Pension commitments (continued)

Teachers' Pension Scheme

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

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

Valuation of the Teachers' Pension Scheme

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

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

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

The employer's pension costs paid to TPS in the year amounted to £1,158,840 (2018 - £1,017,649).

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

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

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

Local Government Pension Scheme

The LGPS is a funded defined benefit pension scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2019 was £776,153 (2018 - £692,000), of which employer's contributions totalled £609,563 (2018 - £544,000) and employees' contributions totalled £ 166,590 (2018 - £148,000). The agreed contribution rates for future years are 15.4 - 16.9 per cent for employers and 6.1 per cent for employees.

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

Principal actuarial assumptions

	2019 %	2018 %
Rate of increase in salaries	2.4 - 3.7	2.5 - 3.8
Rate of increase for pensions in payment/inflation	2.2 - 2.3	2.3 - 2.4
Discount rate for scheme liabilities	1.8 - 1.9	2.7 - 2.8

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

	2019 Years	2018 Years
<i>Retiring today</i>		
Males	21.1 - 22.5	22.1 - 23.5
Females	23.6 - 24.4	24.5 - 25.6
<i>Retiring in 20 years</i>		
Males	22.3 - 24.2	24.0 - 25.8
Females	25.0 - 26.2	26.4 - 28.0

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23. Pension commitments (continued)

Sensitivity analysis

	2019	2018
	£000	£000
Discount rate +0.1%	(564)	(473)
Discount rate -0.1%	568	476
Mortality assumption - 1 year increase	311	252
Mortality assumption - 1 year decrease	(302)	(246)
CPI rate +0.1%	486	380
CPI rate -0.1%	(482)	(377)

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

	At 31 August 2019	At 31 August 2018
	£	£
Equities	4,430,236	3,623,550
Debt instruments	3,822,900	3,179,850
Property	633,146	517,650
Cash and other liquid assets	119,611	73,950
Total market value of assets	9,005,893	7,395,000

The actual return on scheme assets was £623,829 (2018 - £275,000).

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

	2019	2018
	£	£
Current service cost	(1,078,182)	(1,061,000)
Past service cost	(98,765)	-
Interest income	215,044	170,000
Interest cost	(337,586)	(301,000)
Administrative expenses	(4,058)	(2,000)
Total amount recognised in the Statement of financial activities	(1,303,547)	(1,194,000)

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Pension commitments (continued)

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

	2019 £	2018 £
At 1 September	11,822,000	11,312,000
Conversion of academy trusts	-	220,000
Transferred in on existing academies joining the trust	304,796	-
Current service cost	1,078,182	1,061,000
Interest cost	337,586	301,000
Employee contributions	166,590	148,000
Actuarial losses/(gains)	2,128,764	(1,106,000)
Benefits paid	(87,000)	(114,000)
Past service costs	98,765	-
At 31 August	15,849,683	11,822,000

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

	2019 £	2018 £
At 1 September	7,395,000	6,314,000
Conversion of academy trusts	-	122,000
Transferred in on existing academies joining the trust	167,200	-
Interest income	215,044	170,000
Actuarial gains	546,785	213,000
Employer contributions	609,563	544,000
Employee contributions	166,590	148,000
Benefits paid	(87,000)	(114,000)
Administration costs	(2,058)	(2,000)
At 31 August	9,011,124	7,395,000

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24. Operating lease commitments

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

	2019 £	2018 £
Not later than 1 year	52,150	50,165
Later than 1 year and not later than 5 years	81,200	70,360
Later than 5 years	702,500	550,000
	<u>835,850</u>	<u>670,525</u>

25. Members' liability

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

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26. Related party transactions

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

Duchy Academy Trust, of which A Counsell (Member) is also an employee, charged Launceston College £4,000 (2018: £2,000) for the provision of teaching Launceston College students.

South West Lakes Limited, of which A Shopland (Trustee) is a non-executive director, charged Launceston College £Nil (2018: £780) for summer school activities of teaching Launceston College students.

Greenpower Education Trust, of which E Kerr (Egloskerry Headteacher) is a trustee, charged Launceston College £540 (2018: £910) for purchases made.

The Princes Teaching Institute, of which J Jackson (Executive Principal) is an Academic Consultant, charged Launceston College £5,245 (2018: £Nil) for purchases made. At the year end £354 (2018: £Nil) was included within creditors.

Dartmoor Teaching School Alliance charged Launceston College £1,060 (2018: £Nil) for purchases made. At the year end £520 (2018: £Nil) was included within creditors. A local governor of the trust is an employee of Okehampton College which is part of the Dartmoor Teaching School Alliance.

Launceston Rural Learning Trust, of which E Kerr (Egloskerry Headteacher) is a trustee, charged Launceston College £58 (2018: £Nil) for purchases made.

27. Agency arrangements

The Multi Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2019 the Multi Academy Trust received £47,668 (2018: £48,282) and disbursed £41,584 (2018: £8,163) from the fund. An amount of £214,866 (2018: £208,782) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

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**NOTES TO THE FINANCIAL STATEMENTS
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28. Subsidiary undertaking

Launceston College is the sole trustee and sole member of Launceston College Nursery. Launceston College Nursery is an independent charity (charity number 1173933), operating as an unincorporated association. It was registered on 25 July 2017.

During the year Launceston College did not have any guarantees, capital commitments, contingent liabilities, pension commitments or any other financial commitments on behalf of Launceston College Nursery.

For the year ended 31 August 2019 the financial statements of Launceston College did not include any transactions related to Launceston College Nursery.

The subsidiary is deemed not to be material to the Academy Trust and as such consolidated accounts for the year ended 31 August 2019 have not been prepared in accordance with the exemption under section 405 of the Companies Act 2006.

	2019 £	2018 £
Turnover	91,558	48,679
Cost of sales and administration costs	(109,232)	(46,623)
	<u>(17,674)</u>	<u>2,056</u>

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29. Transfer of existing academies into the multi academy trust

On 1 October 2018 Atlantic Academy (formerly Route 39) joined the Launceston College MAT and all operations and assets and liabilities were transferred for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of financial activities incorporating income and expenditure account as Donations - Transfer from academies joining the trust.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities incorporating income and expenditure account.

Atlantic Academy

	Value reported by transferring trust £	Fair value adjustments £	Transfer in recognised £
Tangible fixed assets			
Leasehold property	-	6,730,000	6,730,000
Furniture and equipment	1,145	-	1,145
Computer equipment	133,437	-	133,437
Current assets			
Debtors due within one year	88,226	-	88,226
Cash at bank and in hand	793,916	-	793,916
Liabilities			
Creditors due within one year	(818,817)	-	(818,817)
Pensions			
Pensions - pension scheme liabilities	(109,596)	-	(109,596)
Net assets	<u>88,311</u>	<u>6,730,000</u>	<u>6,818,311</u>

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29. Transfer of existing academies into the multi academy trust (continued)

On 1 April 2019, Altarnun Primary School joined the Launceston College MAT and all operations and assets and liabilities were transferred for £NIL consideration.

The transfer has been accounted for as a combination that is in substance a gift. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised as a net gain in the Statement of financial activities incorporating income and expenditure account as Donations - Transfer from academies joining the trust.

The following table sets out the fair values of the identifiable assets and liabilities transferred and an analysis of their recognition in the Statement of financial activities incorporating income and expenditure account.

Altarnun Primary School

	Value reported by transferring trust £	Transfer in recognised £
Tangible fixed assets		
Freehold property	627,336	627,336
Furniture and equipment	493	493
Computer equipment	20,288	20,288
Pensions		
Pensions - pension scheme liabilities	(28,000)	(28,000)
Net assets	<u>620,117</u>	<u>620,117</u>