

**The Spring Partnership Trust**  
**(A company limited by guarantee)**

**Annual Report and Financial Statements**

**For the Year Ended 31 August 2018**

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## **The Spring Partnership Trust**

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#### **Foreword by the Chairman of The Spring Partnership Trust For the year ended 31 August 2018**

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I am delighted to present the Annual Accounts for The Spring Partnership Trust for the year ending 31 August, 2018.

This year has been the first full year of operating together as a group of 6 schools. We started the year with three inspections in quick succession. At St Mary Cray Primary Academy in October 2017 the Inspector concluded that Leadership and Management together with Early Years Provision were both 'Outstanding' which demonstrates huge progress since we first sponsored the school. Hayes Primary School was also inspected and received a very good 'Good' inspection report. Finally, Midfield Primary School was also inspected and to our delight was 'Outstanding' overall.

Since then we have made considerable progress towards working together as a unified whole – a sense of being one school on 6 sites while maintaining the unique character of each school. We have completed the centralised organisation of HR and finance departments which has enabled us to develop in-depth expertise, resilience in service provision and cost-savings through co-ordinated bulk purchases. I am grateful to the staff involved in this project which naturally resulted in a number of changes. Centrally, we continue to develop significant general business, as well as teaching-sector specific, expertise for the benefit of all schools which would not be possible to achieve in stand-alone schools.

Teaching staff are also working together and supporting each other across the Trust – something that has allowed the Trust to benefit from the MAT model. As a result, teaching skills and knowledge can be spread to support and promote excellent practice everywhere.

This continued consolidation enables us to offer the following:-

#### **Educational Benefits**

- Established networks of teachers and leaders to develop policy, share good practice and training opportunities
- Fully established Management Group structure meetings covering teaching and learning as well as business and financial aspects of leading at an executive level
- Outreach Behaviour Service and SEND support team to support Headteachers and build capacity for inclusion
- Greater professional development as a result of increased opportunities in a larger organisation
- Access to executive coaching for senior leaders
- Enhanced recruitment and retention rates in a period of teacher shortages
- Succession planning, training and development to ensure excellent leaders for every school
- More rapid school improvement – collective focus on teaching and learning
- Quality assurance of educational standards through reviews of standards led by the CEO every half term. Schools open to a review process are more likely to continuously improve
- Senior level monitoring and advice regarding Key Performance Indicators
- Central standards development team to offer support in specialist areas
- CEO to co-ordinate and broker school-to-school support and challenge, and secondly, to monitor the performance of each school with the Headteacher/Head of School and to set strategic targets
- Play space Development and Improvement across the Trust allowing all pupils to benefit from an enhanced outdoor curriculum.

#### **A central team of business, finance, IT, Premises and HR leaders frees up Headteachers to focus on teaching and learning**

- Expert advice on admissions, exclusions, behaviour, safeguarding, governance and health and safety, as well as access to high quality legal advice
- Economies of scale through contracts and procurement
- Expert staff dedicated to bidding for grants for specific school development projects and maximising income generation across the Trust
- Consistent financial reporting across all schools with monthly management accounts to help Headteachers and Local Committee Members monitor their year to date operating budget spends
- CFO and finance team with accountancy qualifications
- The specialist, centralised finance and business team has a more sophisticated and knowledgeable oversight than is afforded by stand-alone academies. They also have strength in depth to cover for (say) absences, which would be difficult for standalone schools to accommodate
- Management of HR processes (payroll / recruitment) to allow consistency and reduce risks
- A team of caretakers manage school sites, support each other with specific jobs and provide cover where needed
- Upgrades in IT systems have resulted in improved data security, reduced costs overall and centralised IT support
- Compliance with the General Data Protection Regulation has been co-ordinated and implemented by the central team.

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**Foreword by the Chairman of The Spring Partnership Trust For the year ended 31 August 2018**

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We also continue to take appropriate action to respond to the national shortage of funding and availability of trained teachers which is affecting all schools.

With regard to the future, we continue to look for further opportunities to develop our Trust and contribute to wider system leadership through research and collaborating with similarly minded stand-alone Academies or MAT's.

Delivering excellent education for nearly 2000 pupils requires an enormous effort from senior leaders, teachers, all support staff and those involved with governance. I, and the Board of Directors, are very grateful for the commitment our people demonstrate to provide the very best future for the children in our care.



Clive Lees  
Chairman of the Board of Directors, The Spring Partnership Trust.

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**Reference and Administrative Details of the Company for the year ended 31 August 2018**

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<b>Members</b>	Mrs. J.E. Nelson Mr. S.G. Narracott Mr. C. Lees Mr. R.E. Lane (resigned 12 March 2018) Mrs. V. Boaden (appointed 13 May 2018)
<b>Trustees</b>	Mr. C. Lees, Chair of Trustees Mrs. J.P. Brinkley, CEO and Accounting Officer Mrs. J.E. Nelson (term of office ended 11 October 2017) Dr. I. Raitt Mrs. B.D. Simpson (resigned 17 September 2018) Mr. R. Taylor, Chair of Audit Committee and Chair of FARCO Mr. J. Cliff Mr. P. Verghese (resigned 3 April 2018) Mr. S. Nagappan (resigned 15 January 2018) Mrs. M. Brighty (resigned 18 April 2018) Mrs. C. Cousins (appointed 30 September 2017) (resigned 26 November 2018) Ms. R. Punter (appointed 30 September 2017) Mr. D. Okafor (appointed 6 April 2018) Mrs. L. Falk (appointed 26 April 2018) Mrs. J. Tibbalds (appointed 26 April 2018) (resigned 3 July 2018) Mr. J. Martin (appointed 12 May 2018)
<b>Company registered number</b>	07656245
<b>Registered office</b>	George Lane Hayes, Bromley Kent. BR2 7LQ
<b>Company secretary</b>	Mrs. V. Bolton
<b>Chief executive officer</b>	Mrs. J.P. Brinkley
<b>Senior management team (as at 31 August 2018)</b>	Mrs. J.P. Brinkley, CEO Mr. N. Vitarana, Headteacher at Hayes Primary School Mrs. G. Sesli, Acting Executive Headteacher at Midfield Primary School and Leeson's Primary School Mr. A. Lowing, Headteacher at St Mary Cray Primary Academy Mrs. R. Haig, Headteacher at Dorset Road Infants School and Castlecombe Primary School Mrs. C. Sheehan, Chief Financial Officer Mrs. V. Bolton, Trust Services Manager
<b>Independent auditors</b>	UHY Kent LLP t/a UHY Hacker Young Chartered Accountants and Statutory Auditors Thames House, Roman Square Sittingbourne, Kent. ME10 4BJ
<b>Bankers</b>	Lloyds TSB 6-8, Market Square Bromley Kent BR1 1NA

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## **The Spring Partnership Trust**

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#### **Trustees' Report**

#### **For the year ended 31 August 2018**

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The trustees present their annual report and auditors' report of the multi-academy trust for the year ended 31 August 2018.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

#### **Constitution**

The multi-academy trust was incorporated on 2 June 2011 as a company limited by guarantee and an exempt charity. The memorandum and articles of association are the primary governing documents of the multi-academy trust.

The trustees are also the directors of the multi-academy trust for the purposes of company law. Details of the trustees, who served throughout the year except as noted, are included in the Reference and Administrative Details on page 1.

#### **Members' liability**

Each member of the multi-academy trust undertakes to contribute to the assets of the multi-academy trust in the event of it being wound up whilst 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.

#### **Trustees' indemnities**

The multi-academy trust maintains trustees' and officers' liability insurance which gives appropriate cover for any legal action brought against its trustees and other officers. The multi-academy trust has also granted indemnities to each of its trustees and other officers to the extent permitted by law. Qualifying third party indemnity provisions (as defined by section 234 of the Companies Act 2006) were in force during the period and remain in force, in relation to certain losses and liabilities which the trustees or other officers may incur to third parties in the course of acting as trustees or officers of the multi-academy trust. Details of the insurance cover are provided in note 15 to the financial statements.

#### **Method of recruitment and appointment or election of trustees**

Under the terms of the Articles in place throughout the year, the multi-academy trust shall have the following trustees:

- up to 10 trustees, appointed by the members;
- the CEO;
- up to 3 chairs of Local Governing Bodies, if the Members resolve they shall be appointed;
- a minimum of 2 parent trustees unless there are Local Governing Bodies which include at least two Parent Members;
- Any additional trustees allowed under the Articles.

The multi-academy trust may also have any co-opted trustee appointed according to the Articles.

#### **Policies and procedures adopted for the induction and training of trustees**

During the year under review the board of trustees met 5 times and there were 12 committee meetings. The training and induction provided for new trustees depends on their previous experience. All new trustees are given a tour of the schools and the chance to meet with staff and students. 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. New trustees attend an induction course provided by an external training provider and have access to a full programme of courses which they may choose to attend, based on their role and experience. Trustees are invited to attend strategic leadership events hosted half-termly by the CEO to keep abreast of educational changes and to contribute to discussions about the strategic direction of The Spring Partnership Trust. The procedure outlined above also applies to new Local Committee Members (previously referred to as Governors) joining a Local Committee (previously referred to as Local Governing Body).

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## The Spring Partnership Trust

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#### Trustees' Report

##### For the year ended 31 August 2018

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#### Organisation structure

The organisational structure consists of four levels: the Members, the trustees, the Senior Management Group. Additional responsibility is devolved at school level to middle management staff and local committees to encourage involvement in decision making at all levels.

An Executive Headteacher position was introduced at the start of the academic year to oversee Midfield Primary School and Leeson's Primary School. These two schools have appointed Heads of Schools rather than Headteachers. The structure of the Senior Management Group was adapted from 1<sup>st</sup> September 2017 to consist of the Executive Headteacher, Headteachers/Head of Schools of each of the academies, the CEO, the CFO and the Trust Services Manager and not the Assistant and Deputy Headteachers.

These leaders control the multi-academy trust at an executive level, implementing the policies laid down by the trustees and reporting back to them. Members of the Senior Management Group are responsible for the authorisation of spending up to a level delegated to them within agreed budgets and the appointment of staff. Appointment boards for the most senior posts in the Senior Management Group always contain a trustee.

The trustees are responsible for setting general policy, adopting an annual plan and budget, monitoring the multi-academy trust by the use of budgets and making major decisions about the direction of the multi-academy trust, capital expenditure and senior staff appointments. Additional trustee responsibilities include setting the vision and ethos of the multi-academy trust, holding the CEO to account, ensuring financial probity, viability and securing value for money.

#### Arrangements for setting pay and remuneration of key management personnel

FRS 102 requires details of the arrangement for setting pay and remuneration of the academies' key management personnel. The key personnel within the multi academy trust are the trustees, the CEO, the CFO and the Executive Head Teacher and Headteachers.

Trustees, with the exception of staff trustees, are not remunerated although they may claim reasonable expenses. Details of staff trustees' remuneration and expenses are set out in note 14.

The CEO, CFO, Executive Headteacher and Headteachers' pay is determined in accordance with the multi-academy trust's Pay Policy and takes into account whether performance management objectives for the year have been met. In the case of the CEO, an appropriately qualified external adviser may assist the trustees in determining what the performance management objectives should be and whether they have been met. Actual levels of pay are determined with reference to School Teachers' Pay and Conditions Document and the CEO pay range has been agreed by Trust Board.

Details of remuneration paid to key management personnel are set out in note 12.

#### Trade union facility time

Relevant union officials	
<u>Number of employees who were relevant union officials during the year</u>	<u>Full time equivalent employee number</u>
1	446

Percentage of time spent on facility time	
<u>Percentage of time</u>	<u>Number of employees</u>
0%	-
1%-50%	1
51%-99%	-
100%	-

Percentage of pay bill spent on facility time	
Total cost of facility time	£420
Total pay bill	£8,755,917
Percentage of the total pay bill spent on facility time	0.00005%

Paid trade union activities	
Time spent on paid trade union activities as a percentage of total paid facility time hours	0%

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## **The Spring Partnership Trust**

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#### **Trustees' Report**

##### **For the year ended 31 August 2018**

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#### **Risk management**

The trustees have assessed the major risks to which the multi-academy trust is exposed, in particular those relating to teaching, provision of facilities and other operational areas of the multi-academy trust, and its finances. The trustees have implemented a number of systems to assess risks that the multi-academy trust faces, especially in the operational areas (e.g. in relation to teaching, health and safety, bullying and school trips) and in relation to the control of finance. They have introduced systems, including operational procedures (e.g. vetting of new staff and visitors, supervision of school grounds) and internal financial controls (see below) in order to manage risk. Where significant financial risk still remains they have ensured they have adequate insurance cover. The multi-academy trust has an effective system of internal financial controls and this is explained in more detail in the Governance Statement.

#### **Connected organisations, including related parties**

The Hayes Primary School Parent Teacher Association is a separately registered charity, registration number 299114. It is not part of the multi-academy trust but it organises various fundraising events to provide facilities for the pupils of Hayes Primary School.

Friends of St. Mary Cray Primary School is a further separately registered charity, registration number 1094583, with the common aim of organising events for the benefit of pupils at St Mary Cray Primary Academy.

The Castlecombe Primary School Parent Teacher Association is a separately registered charity, registration number 281439. It is not part of the multi-academy trust but it organises various fundraising events to provide facilities for the pupils of Castlecombe Primary School.

The Leasons Primary School Parent Staff & Friends Association (PSFA) is independently run and is not a separately registered charity. It is not part of the multi-academy trust but it organises various fundraising events to provide facilities for the pupils of Leasons Primary School.

Dorset Road Infant School have an independently run Parent Teacher Association which is not a registered charity. It is not part of the multi-academy trust but it organises various fundraising events to provide facilities for the pupils of Dorset Road Infant School.

Midfield Primary School have an independently run Parent Teacher Association which is not a registered charity. It is not part of the multi-academy trust but it organises various fundraising events to provide facilities for the pupils of Midfield Primary School.

#### **OBJECTIVES AND ACTIVITIES**

##### **Object and aims**

The multi-academy trust's principal object and activity is to manage the schools' provision of education to pupils between the ages of 3 and 11.

##### **Objectives, strategies and activities**

The strategic intention objectives focused specifically on the following in 2017 - 18:

As a multi-academy trust we have clear strategic aims built on our mission and values. Our three year business plan sets out the following objectives to ensure that as a multi-academy trust, the public, parents and stakeholders have confidence in our approach:

##### **Leadership and Governance**

Directors, Local Committee Members and school leaders are highly effective in fulfilling their duties to provide the best possible education in each individual school.

##### **School Improvement**

All schools are high performing and offer an excellent education to all their pupils through rigorous academic standards, an inspirational curriculum and challenging personal development opportunities.

##### **Continuous professional development**

Carefully designed bespoke continuous professional development packages for our academies will attract and develop excellent staff.

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## **The Spring Partnership Trust**

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#### **Trustees' Report**

#### **For the year ended 31 August 2018**

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#### **Integrated support and shared services**

The multi-academy trust has business arrangements that facilitate growth, deliver value for money, minimise risk and concentrate valuable resources on teaching and learning in schools.

#### **Partnerships**

A wide range of partnerships with other schools and multi-academy trusts will continue to be developed through school development activities, professional networking and the good reputation of the multi-academy trust.

#### **Public benefit**

The Spring Partnership Trust schools cater for children aged 3 -11 and strive to promote and support the advancement of education within the Bromley area. The schools provide an extensive programme of educational and recreational activity - all designed to contribute to the overall education of our students in areas such as academic distinction, music, the arts and sport. A small example of the opportunities available to our students include:-

- School Choirs
- School Orchestras
- Specialist sports coaches employed to develop sport and fitness from EYFS through to the end of KS2.
- Bromley Youth Music Trust - providing tutors in school for a range of music and singing lessons as well as providing opportunities for every child to learn a brass instrument.
- Computing Hub for Bromley
- Karate
- Minecraft
- Spanish club
- Art club
- Gymnastics
- Working with local secondary schools to provide opportunities to develop sporting skills and discover new sports
- Gardening and 'Eco' clubs
- Cross country and running clubs; and
- Chess clubs.

Wherever possible the multi-academy trust also aims to contribute to the benefit of the wider public, by making available the premises to third parties for the provision of educational and other opportunities. For example:

- The Police Cadets and Scout Groups
- The Bromley 'Go Ride' weekly bikeclub
- Sports including korfbal and football; and
- Stagecoach performing arts.

In setting the schools' objectives and planning their activities the trustees have given careful consideration to the Charity Commission's general guidance on public benefit. The trustees believe that the multi-academy trust's aims, together with the activities outlined above, are demonstrably to the public benefit.

#### **Equal opportunities**

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

#### **Disabled persons**

The policy of the multi-academy trust is to support recruitment and retention of students and employees with disabilities. The multi-academy trust does this by adapting the physical environment and by making support resources available.

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**Trustees' Report**  
**For the year ended 31 August 2018**

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**STRATEGIC REPORT**

**Achievements and performance**

The trustees were very pleased overall with the main academic achievement in the period. The summary of results for each of the schools can be found by following the links below to the school websites:

Hayes Primary School

<http://www.hayes-pri.bromley.sch.uk/page/?title=Our+Key+Stage+Results+2018&pid=416>

St Mary Cray Primary Academy

<https://www.st-marycray.bromley.sch.uk/page/?title=Key+Stage+Results+2018&pid=215>

Castlecombe Primary School

<http://www.castlecombe.bromley.sch.uk/page/?title=Our+Key+Stage+Results+2018&pid=215>

Dorset Road Infants School

<https://www.dorsetroad.bromley.sch.uk/page/?title=Key+Stage+Results+2017&pid=25>

Leesons Primary School

<https://www.leesons.bromley.sch.uk/page/?title=Key+Stage+Results+2018&pid=286>

Midfield Primary School

<https://www.midfield.bromley.sch.uk/page/?title=Our+Key+Stage+Results+2018&pid=453>

**Going concern**

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

**Key financial performance indicators**

The trustees consider that the following are key performance indicators for the multi-academy trust:

- Pupil numbers (leading directly to the Education and Skills Funding Agency ("ESFA") funding level)
- General financial stability - aim for expenditure not to exceed income (and preferably to match it) each year
- Salary Costs to ESFA Revenue Income, to Total Income and as a percentage of Total Expense
- Pupil Teacher Ratio
- Average Teacher Cost
- Proportion of budget spent on Senior Leaders; and
- Spend per pupil for non-pay expenditure

Trustees continue to develop the use of key financial performance indicators together with other key performance indicators relevant to the running of a multi-academy trust. The trustees monitor these financial performance indicators to ensure they are managed appropriately.

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#### Trustees' Report

##### For the year ended 31 August 2018

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#### Financial review

The 2017/18 year has been stable with no new academies joining the multi-academy trust, however the expansion from two to six academies during 2016-17 means that the prior year figures throughout these financial statements are not directly comparable to the 2017/18 results. In particular the comparatives are heavily influenced by the net £9m donation within incoming resource to reflect the net value of the assets and liabilities transferred into the multi-academy trust last year. The timing of when some academies joined the multi-academy trust last year also means that incoming and expended resources reflect a full year for all academies for the first time in 2017/18.

The Statement of Financial Activities (SoFA) reports incoming resources of £16.6m for 2017/18. This predominantly comprises the multi-academy trust's recurrent operational grant income from the Education & Skills Funding Agency (ESFA), the use of which is restricted to particular purposes. These grants and the associated expenditure are shown as restricted funds in the SoFA. Incoming resources this year also include £5.5m capital grants and donations shown within the restricted fixed asset fund. This income is partly Condition Improvement Funding and Devolved Capital grants from the ESFA, but the largest element is approaching £5m for the remaining value of new buildings at two of the multi-academy trust's academies. The new buildings have been financed by London Borough of Bromley, and the value of the works has been included as capital donation. Some of the value was reflected in the 2016/17 financial statements, recognising the asset partly constructed at the previous year end, and the balance has been reflected as income for 2017/18.

Expended resources for the year amounted to nearly £12m, although this includes depreciation charges and an element of the in-year movement in the Local Government Pension Scheme (LGPS) deficit.

As a result of the capital grants and donations, the SoFA shows net incoming resources for the year of £4.7m. The overall net movement in funds shows an increase of £7.8m after actuarial gains on the LGPS deficit and a revaluation of some of the multi-academy trust's school buildings to reflect more current valuations which have become available during the year.

As a result of the capital funding, pension movements and depreciation, the net movement in funds does not provide any indication of the operating day-to-day financial position. The more meaningful revenue outturn for the year was a deficit of £29k (2017: surplus of £108k) from which revenue to capital contributions (shown as transfers on the SoFA) of £128k (2017: also £128k) were made. These revenue to capital transfers mean revenue funds reduced by a total of £157k during the year (2017: £20k) as a result of operational activities.

At 31 August 2018, the net book value of fixed assets was £32.6m and movements in tangible fixed assets are shown in note 16 to the financial statements. During the year the assets were used almost exclusively for providing education and the associated support services to the pupils of the academies, the only exceptions to this being limited letting of the premises to local community groups.

#### Financial position

The multi-academy trust held fund balances at 31 August 2018 of £32.1m (2017: £24.4m). These funds included restricted fixed asset funds of £32.6m (2017: £25.3m) and revenue reserves of £1.16m (2017: £1.32m) split across restricted and unrestricted funds.

The only fund in deficit was the LGPS pension reserve of £1.7m (2017: £2.3m). The reduction in this reserve during the year has arisen because of the actuarial gain that occurred in the financial year exceeding the other pension current service and finance costs. The deficit is not a concern and does not mean that an immediate liability crystallises. It can be described as an accounting deficit which has no direct effect on the employer contribution rate paid by the school, which is determined using longer-term funding assumptions. These contribution rates are reviewed every three years in consultation with the scheme's administrators (London Borough of Bromley), and current employer contributions due by the multi-academy trust have been fixed for three years until 1 April 2020.

#### Principal risks and uncertainties

The main risks that the multi-academy trust is exposed to are summarised below. For each of these risks the probability, impact and seriousness have been considered together with appropriate action and management plans:

- *Operational and reputational* - this covers risks to the running of the schools (including the capacity of staff and buildings to meet the needs of pupils) and their performance in delivering the curriculum.
- *Financial* - covering risks to the multi-academy trust's financial position, including revenue streams, cost control and cash management.

The risks to which the multi-academy trust is exposed arise both internally and externally. External risks include those in respect of future funding levels, competition, changes to rules and regulations, and the financial position of the staff pension schemes. External incidents can also disrupt the activities of the schools.

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## The Spring Partnership Trust

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#### Trustees' Report

##### For the year ended 31 August 2018

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#### Financial and risk management objectives and policies

The multi-academy trust does not use complex financial instruments. It manages its activities using cash and various items such as trade debtors and trade creditors that arise directly from its operations. The main risk arising from the multi-academy trust's financial activities is making a deficit from unforeseen but necessary expenditure incurred in the year. The multi-academy trust manages its cash resources, including sufficient working capital, so that all its operating needs are met without the need for short-term borrowing.

The multi-academy trust is also exposed to interest rate risk and credit risk as part of its normal activities:

- *Interest rate risk* - the multi-academy trust earns interest on cash deposits.
- *Credit risk* - this arises from the possibility that amounts owed to the multi-academy trust will not be repaid. The multi-academy trust does not undertake credit activities so it is only exposed to credit risk as it arises from normal business. Credit risk is managed through the use of approved banks and the prompt collection of amounts due.

#### Fundraising

The Spring Partnership Trust does not engage in fundraising activities of its own. Any fundraising is generally done via the Parent Teacher Association at the local school.

#### Reserves policy

The trustees review the reserve levels of the multi-academy trust throughout the year. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of the reserves.

#### PLANS FOR FUTURE PERIODS

The trustees' main plans for future periods are:

- Continue to develop and enhance governance with particular emphasis on creating governance structures suitable for an expanding multi-academy trust
- Continue to drive forward improvement in partner schools by sharing best practice models from within and beyond the multi-academy trust
- Continue to develop the impact of the multi-academy trust in order that research and leading practice result in better quality of provision in the wider education system
- Recruit, retain and develop an outstanding teaching, management and support staff team.

#### DISCLOSURE OF INFORMATION TO AUDITORS

In so far as the trustees are aware:

- there is no relevant audit information of which the multi-academy trust's auditors are unaware; and
- the trustees have taken all the steps 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, UHY Hacker Young, have indicated their willingness to remain in office, and the audit process will be reviewed in detail and re-appointment of the auditors will be considered in due course.

This report, incorporating the Strategic report, was approved by the board of trustees, as the company directors, on 13 December 2018 and signed on the board's behalf by:



Mr. C. Lees, Chair of Trustees



Mrs. J. Brinkley, Accounting Officer

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## The Spring Partnership Trust

### (A company limited by guarantee)

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#### Governance Statement

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##### Scope of Responsibility

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

The board of trustees has delegated the day-to-day responsibility to the CEO, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between The Spring Partnership Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees any material weaknesses or breakdowns in internal control.

##### Governance

The information on governance included here supplements that described in the trustees' report and in the Statement of trustees' responsibilities. The board of trustees has formally met 5 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr. C. Lees, Chair of Trustees	5	5
Mrs. J.P. Brinkley, CEO/Executive Headteacher	5	5
Mrs. J.E. Nelson	1	1
Dr. I. Raitt	4	5
Mrs. B.D. Simpson	3	5
Mr. R. Taylor, Chair of Audit Committee and FARCO	4	5
Mr. J. Cliff	3	5
Mr. P. Verghese	2	4
Mr. S. Nagappan	0	2
Mrs. M. Brighty	2	3
Mrs. C. Cousins	4	4
Ms. R. Punter	4	4
Mr. D. Okafor	1	2
Mrs. L. Falk	2	2
Mrs. J. Tibbalds	1	1
Mr. J. Martin	1	2

Throughout the year, the board of trustees continually reviewed its arrangements for governance. In particular this involved: -

- Regularly updating the Scheme of Delegation for Governance Functions to ensure its relevance, 'fitness for purpose' and that it reflects the full range of the board's statutory responsibilities;
- Reviewing the effectiveness and impact of trustees;
- Reviewing the composition of the board of trustees and recruiting additional trustees with the skills necessary for the board to discharge its responsibilities effectively; and,
- Reviewing the effectiveness of governance at school level and intervening as necessary.

The Finance and Resources Committee (FARCO) is a committee of the main board of trustees. Its purpose is to plan and monitor the financial and other resources of the schools effectively, and to ensure the schools provide a safe educational environment. Another of FARCO's responsibilities is routine budget setting and monitoring. Attendance at FARCO meetings in the year was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mrs. J.E. Nelson	0	1
Mrs. J.P. Brinkley	5	5
Mr. R. Taylor	5	5
Mr. J. Cliff	5	5
Mrs C Cousins	4	4

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## The Spring Partnership Trust

### (A company limited by guarantee)

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#### Governance Statement

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The Audit Committee is a sub-committee of the FARCO. Its purpose is to review the risks to internal financial control of the multi-academy trust, liaising with internal and external auditors as necessary. During the year the Audit Committee has considered the risks the multi-academy trust faces, and directed the work of the internal auditors towards these areas. Attendance at meetings in the year was as follows:

<u>Trustee</u>	<u>Meetings attended</u>	<u>Out of a possible</u>
Mr. R. Taylor, Chair of Audit Committee	2	2
Mr. C. Lees	1	1
Mrs. C. Cousins	2	2
Miss R. Punter	2	2

At least 3 trustees, including the CEO, attend each Audit Committee meeting.

Mrs. J.P. Brinkley, the CEO and Accounting Officer, attended one Audit Committee meeting held during the year in an advisory capacity, however she is not a formal member of the Audit Committee.

#### Review of Value for Money

As Accounting Officer, the CEO 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 ensuring that the principles of economy, efficiency and effectiveness are applied in all aspects of school resourcing including staffing.

These include:

- Educational assessment materials;
- Behaviour outreach services;
- HR consultancy;
- Payroll services;
- School improvement reviews;
- Audit services;
- Legal services; and
- Insurance.

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

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of multi-academy trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Spring Partnership Trust for the year 1 September 2017 to 31 August 2018 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 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees.

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## **The Spring Partnership Trust**

### **(A company limited by guarantee)**

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#### **Governance Statement**

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##### **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 FARCO 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; and
- 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 UHY Hacker Young, the external auditors, to perform additional checks.

The auditors' role includes giving advice on financial matters and performing a range of checks on the multi-academy trust's financial systems. On a termly basis, the audit company report to the board of trustees on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

During the year ended 31 August 2018 the internal audit work has been delivered as planned, and no material control issues have arisen. Matters which have been brought to our attention have been dealt with in a timely manner.

##### **Review of Effectiveness**

As Accounting Officer, the CEO has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

- the work of the external auditors;
- the 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 FARCO and Audit Committee and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by the board of trustees on 13 December 2018 and signed on their behalf, by:



Mr. C. Lees, Chair of Trustees



Mrs. J.P. Brinkley, Accounting Officer

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**The Spring Partnership Trust**  
**(A company limited by guarantee)**

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**Statement on Regularity, Propriety and Compliance**

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As Accounting Officer of The Spring Partnership Trust I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the 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 2017.

I confirm that I and the multi-academy trust board of trustees are able to identify any material irregular or improper use of funds by the multi-academy trust, or material non-compliance with the terms and conditions of funding under the multi-academy trust's funding agreement and the Academies Financial Handbook 2017.

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.



Mrs. J.P. Brinkley  
Chief Executive Officer and Accounting Officer

Date: 13 December 2018

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**The Spring Partnership Trust**  
**(A company limited by guarantee)**

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**Statement of Trustees' Responsibilities**  
**For the Year Ended 31 August 2018**

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The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Strategic report, the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued 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 2017 to 2018;
- 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 13 December 2018 and signed on its behalf by:



Mr. C.H. Lees  
Chair of Trustees

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**The Spring Partnership Trust**  
**(A company limited by guarantee)**

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**Independent Auditors' Report on the Financial Statements to the Members of The Spring Partnership Trust**

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**Opinion**

We have audited the financial statements of The Spring Partnership Trust (the 'multi-academy trust') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, 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 2017 to 2018 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 2018 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 2017 to 2018 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.

**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. 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.

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**The Spring Partnership Trust**  
**(A company limited by guarantee)**

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**Independent Auditors' Report on the Financial Statements to the Members of The Spring Partnership Trust**

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**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.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' responsibilities, 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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' report.

**Use of our report**

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

  
Allan Hickie BSc FCA (Senior statutory auditor)  
for and on behalf of

**UHY Kent LLP**  
Chartered Accountants  
Statutory Auditors  
Thames House  
Roman Square  
Sittingbourne  
Kent  
ME10 4BJ  
Date: 17 December 2016

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**The Spring Partnership Trust**  
**(A company limited by guarantee)**

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**Independent Reporting Accountants' Assurance Report on Regularity to The Spring Partnership Trust and the Education & Skills Funding Agency**

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In accordance with the terms of our engagement letter dated 21 August 2012 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Spring Partnership Trust during the year 1 September 2017 to 31 August 2018 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

This report is made solely to The Spring Partnership Trust and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to The Spring Partnership Trust and the 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 The Spring Partnership Trust and the ESFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of The Spring Partnership Trust's accounting officer and the reporting accountant**

The Accounting Officer is responsible, under the requirements of The Spring Partnership Trust's funding agreement with the Secretary of State for Education in 2014 and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. 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 2017 to 31 August 2018 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 2017 to 2018 issued by the 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.

We conducted our work in accordance with Technical Release TECH 08/12 AAF issued by the Institute of Chartered Accountants in England and Wales. In accordance with that Technical Release we have carried out the procedures we consider necessary to be able to report on whether anything has come to our attention which suggests that in all material respects expenditure disbursed and income received have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them. Other than those procedures undertaken for the purposes of our audit of the financial statements of The Spring Partnership Trust for the year ended 31 August 2018 which provide evidence on regularity, our work was limited to only those additional procedures necessary to provide limited assurance.

The work undertaken to draw to our conclusion included:

- an assessment of the risk of material irregularity and impropriety across all of the academy trust's activities;
- further testing and review of the areas identified through the risk assessment including enquiry, identification of control processes and examination of supporting evidence across all areas identified as well as additional verification work where considered necessary; and
- consideration of evidence obtained through the work detailed above and the work completed as part of our financial statements audit in order to support the regularity conclusion.

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**The Spring Partnership Trust**  
**(A company limited by guarantee)**

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**Independent Reporting Accountants' Assurance Report on Regularity to The Spring Partnership Trust and the Education & Skills Funding Agency (continued)**

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**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Allan Hickie BSc FCA

**UHY Kent LLP**  
Chartered Accountants  
Statutory Auditors  
Thames House  
Roman Square  
Sittingbourne  
Kent  
ME10 4BJ

Date: 17 December 2018

**The Spring Partnership Trust**  
**(A company limited by guarantee)**

**Statement of Financial Activities incorporating Income and Expenditure Account**  
**For the Year Ended 31 August 2018**

		<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Restricted fixed asset funds 2018 £</b>	<b>Total funds 2018 £</b>	<b>Total funds 2017 £</b>
	<b>Note</b>					
<b>Income from:</b>						
Donations & capital grants:						
Balances transferred	2	-	-	-	-	9,083,176
Other donations and capital grants	2	14,390	8,400	5,584,293	5,607,083	4,391,827
Charitable activities	3	527,816	10,382,371	-	10,910,187	9,445,200
Other trading activities	4	105,127	22,221	-	127,348	120,619
Investments	5	1,454	-	-	1,454	1,238
<b>Total income</b>		<b>648,787</b>	<b>10,412,992</b>	<b>5,584,293</b>	<b>16,646,072</b>	<b>23,042,060</b>
<b>Expenditure on:</b>						
Raising funds	4	30,834	-	-	30,834	76,661
Charitable activities	6	656,217	10,773,200	517,018	11,946,435	10,141,161
<b>Total expenditure</b>	7	<b>687,051</b>	<b>10,773,200</b>	<b>517,018</b>	<b>11,977,269</b>	<b>10,217,822</b>
<b>Net income / (expenditure) before transfers</b>		<b>(38,264)</b>	<b>(360,208)</b>	<b>5,067,275</b>	<b>4,668,803</b>	<b>12,824,238</b>
Transfers between Funds	22	(96,748)	(31,512)	128,260	-	-
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>(135,012)</b>	<b>(391,720)</b>	<b>5,195,535</b>	<b>4,668,803</b>	<b>12,824,238</b>
Gains on revaluations of fixed assets	17	-	-	2,113,000	2,113,000	5,299,297
Actuarial gains on defined benefit pension schemes	27	-	973,000	-	973,000	892,000
<b>Net movement in funds</b>		<b>(135,012)</b>	<b>581,280</b>	<b>7,308,535</b>	<b>7,754,803</b>	<b>19,015,535</b>
<b>Reconciliation of funds:</b>						
Total funds brought forward	22	922,251	(1,879,854)	25,325,151	24,367,548	5,352,013
<b>Total funds carried forward</b>		<b>787,239</b>	<b>(1,298,574)</b>	<b>32,633,686</b>	<b>32,122,351</b>	<b>24,367,548</b>

The notes on pages 23 to 49 form part of these financial statements.

**The Spring Partnership Trust**  
**(A company limited by guarantee)**  
**Registered number: 07656245**

**Balance Sheet**  
**As at 31 August 2018**

	Note	£	2018 £	£	2017 £
<b>Fixed assets</b>					
Intangible assets	16		34,084		43,139
Tangible assets	17		32,577,652		24,162,115
			<u>32,611,736</u>		<u>24,205,254</u>
<b>Current assets</b>					
Stocks	18	11,055		1,116	
Debtors	19	515,756		1,646,239	
Cash at bank and in hand		2,766,803		2,728,089	
		<u>3,293,614</u>		<u>4,375,444</u>	
<b>Creditors: amounts falling due within one year</b>	20	(2,081,578)		(1,902,045)	
<b>Net current assets</b>			<u>1,212,036</u>		<u>2,473,399</u>
<b>Total assets less current liabilities</b>			<u>33,823,772</u>		<u>26,678,653</u>
<b>Creditors: amounts falling due after more than one year</b>	21		(28,421)		(34,105)
<b>Net assets excluding pension scheme liabilities</b>			<u>33,795,351</u>		<u>26,644,548</u>
Defined benefit pension scheme liability	27		(1,673,000)		(2,277,000)
<b>Net assets including pension scheme liabilities</b>			<u><u>32,122,351</u></u>		<u><u>24,367,548</u></u>
<b>Funds of the academy</b>					
Restricted income funds:					
Restricted income funds	22	374,426		397,146	
Restricted fixed asset funds	22	32,633,686		25,325,151	
		<u>33,008,112</u>		<u>25,722,297</u>	
Restricted income funds excluding pension liability					
Pension reserve	22	(1,673,000)		(2,277,000)	
		<u></u>		<u></u>	
Total restricted income funds			31,335,112		23,445,297
Unrestricted income funds	22		787,239		922,251
<b>Total funds</b>			<u><u>32,122,351</u></u>		<u><u>24,367,548</u></u>

The financial statements on pages 20 to 49 were approved by the Trustees, and authorised for issue, on 13 December 2018 and are signed on their behalf, by:



Mr. C.H. Lees  
Chair of Trustees

The notes on pages 23 to 49 form part of these financial statements.

**The Spring Partnership Trust**  
**(A company limited by guarantee)**

**Statement of Cash Flows**  
**For the Year Ended 31 August 2018**

	<b>Note</b>	<b>2018 £</b>	<b>2017 £</b>
<b>Cash flows from operating activities</b>			
Net cash provided by operating activities	24	1,253,422	586,324
<b>Cash flows from investing activities:</b>			
Interest from investments		1,454	1,238
Purchase of intangible fixed assets		-	(45,275)
Purchase of tangible fixed assets		(6,800,455)	(2,055,598)
Capital grants from DfE Group		595,138	2,875,965
Capital funding received from sponsors and others		4,989,155	31,874
Cash transferred in on conversion		-	25,178
<b>Net cash (used in)/provided by investing activities</b>		<b>(1,214,708)</b>	<b>833,382</b>
<b>Cash flows from financing activities:</b>			
Cash inflows from new borrowing		-	29,930
<b>Net cash provided by financing activities</b>		<b>-</b>	<b>29,930</b>
<b>Change in cash and cash equivalents in the year</b>		<b>38,714</b>	<b>1,449,636</b>
Cash and cash equivalents brought forward		2,728,089	1,278,453
<b>Cash and cash equivalents carried forward</b>	25	<b>2,766,803</b>	<b>2,728,089</b>

The notes on pages 23 to 49 form part of these financial statements.

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**The Spring Partnership Trust**  
**(A company limited by guarantee)**

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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

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**1. Accounting Policies**

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

**1.1 Basis of preparation of financial statements**

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

The Spring Partnership Trust constitutes a public benefit entity as defined by 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-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.

**1.3 Income**

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

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

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

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

Sponsorship income provided to the multi-academy trust which amounts to a donation is recognised in the Statement of financial activities incorporating income and expenditure account in the period in which it is receivable, where receipt is probable and it is measurable.

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

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

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

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**The Spring Partnership Trust**  
**(A company limited by guarantee)**

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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

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**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 on raising funds 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.

Expenditure on charitable activities are costs incurred on the multi-academy trust's educational operations, including support costs and those costs relating to the governance of the multi-academy trust appointed to charitable activities.

**1.5 Intangible fixed assets and amortisation**

Intangible assets costing £5,000 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably. Intangible assets are initially recognised at cost and are subsequently measured at cost net of amortisation and any provision for impairment.

Amortisation is provided on intangible fixed assets at rates calculated to write off the cost of each asset, less their estimated residual value, over their expected useful lives on the following bases:

Computer Software	- 20% straight line
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**1.6 Tangible fixed assets and depreciation**

All individual assets costing more than £5,000 are capitalised. A high threshold of £10,000 applies for group purchases where a number of assets are purchased as part of one original purchase order or project.

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 incorporating income and expenditure account 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 incorporating income and expenditure account. 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% straight line
Leasehold property	- 2% straight line
Furniture and fixtures	- 15-25% straight line
Plant and equipment	- 2-20% straight line
Improvements to freehold	- 2-10% straight line
Improvements to leasehold	- 2-10% straight line
Computer equipment	- 33.33% straight line

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

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 incorporating income and expenditure account.

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**The Spring Partnership Trust**  
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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

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**1. Accounting Policies (continued)**

**1.7 Revaluation of tangible fixed assets**

The multi-academy trust has adopted the revaluation model to revalue items of property, plant and equipment whose fair value can be measured reliably. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professionally qualified valuers. The fair value of items of plant and machinery is usually their market value determined by appraisal.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity.

**1.8 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 basis 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 19. 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 costs as detailed in notes 20 and 21. 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 instruments. Amounts due to the multi-academy trust's wholly owned subsidiary are held at face value less any impairment.

**1.9 Taxation**

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

**1.10 Pensions**

Retirement benefits to employees of the multi-academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments 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. As stated in note 27, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

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**1. Accounting Policies (continued)**

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

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

**1.11 Fund accounting**

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

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

Restricted general funds comprise all other restricted funds received 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.

**1.12 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 (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 27, 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 2018. 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.

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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

**2. Income from donations and capital grants**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
Transfer from local authority on conversion	-	-	-	-	1,010,178
Transfer from existing academies into the trust	-	-	-	-	8,072,998
Balances transferred	-	-	-	-	9,083,176
Donations	14,390	8,400	-	22,790	52,703
Capital grants	-	-	595,138	595,138	2,894,294
Donated fixed assets	-	-	4,989,155	4,989,155	1,444,830
Capital grants and other donations	14,390	8,400	5,584,293	5,607,083	4,391,827
	14,390	8,400	5,584,293	5,607,083	13,475,003
<i>Analysis of 2017 total by fund</i>	488,255	(1,265,431)	14,252,179	13,475,003	

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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

**3. Funding for the multi-academy's trust educational operations**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>DfE/ESFA grants</b>				
General Annual Grant (GAG)	-	8,416,593	8,416,593	7,506,036
Other DfE/ESFA grants	-	1,094,815	1,094,815	897,472
	-	9,511,408	9,511,408	8,403,508
<b>Other government grants</b>				
Local authority grants	-	646,979	646,979	482,171
Local authority - Special educational needs	-	213,984	213,984	128,238
	-	860,963	860,963	610,409
<b>Other educational operations</b>				
Extended schools	236,467	-	236,467	164,555
Educational trips	115,917	-	115,917	98,758
Pupil meals	126,750	-	126,750	118,127
Teacher training	30,541	-	30,541	38,315
Other income	18,141	10,000	28,141	11,528
	527,816	10,000	537,816	431,283
	527,816	10,382,371	10,910,187	9,445,200
<i>Analysis of 2017 total by fund</i>	431,283	9,013,917	9,445,200	

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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

**4. Trading activities**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
<b>Trading income</b>				
Hire of facilities	42,276	-	42,276	37,380
Staffing insurance claims	30,269	22,221	52,490	16,493
Catering income	2,168	-	2,168	-
Uniform income	3,428	-	3,428	-
Educational consultancy	7,075	-	7,075	49,452
Nursery fees	18,689	-	18,689	5,942
Sales of goods	1,222	-	1,222	7,831
Other income	-	-	-	3,521
	<u>105,127</u>	<u>22,221</u>	<u>127,348</u>	<u>120,619</u>
<b>Trading expenses</b>				
Purchase of trading items	-	-	-	4,774
Hire of facilities	952	-	952	-
Uniform expenditure	4,118	-	4,118	-
Wages and salaries	25,764	-	25,764	71,887
	<u>30,834</u>	<u>-</u>	<u>30,834</u>	<u>76,661</u>
Net income from trading activities	<u>74,293</u>	<u>22,221</u>	<u>96,514</u>	<u>43,958</u>

In 2017, of the total income from trading activities, £114,677 was to unrestricted funds and £5,942 to restricted funds.

In 2017, of the total expenditure from trading activities, £70,719 was to unrestricted funds and £5,942 to restricted funds.

**5. Investment income**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Bank interest	1,454	-	1,454	1,238
<i>Analysis of 2017 total by fund</i>	<u>1,238</u>	<u>-</u>	<u>1,238</u>	

**The Spring Partnership Trust**  
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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

**6. Analysis of expenditure on charitable activities**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>	<b>Total funds 2017 £</b>
Funding for the multi-academy trust's educational operations	656,217	11,290,218	11,946,435	10,141,161
<i>Analysis of 2017 total by fund</i>	1,278,534	8,862,627	10,141,161	

**7. Expenditure**

	<b>Staff costs 2018 £</b>	<b>Premises 2018 £</b>	<b>Other costs 2018 £</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Expenditure on fundraising / trading					
Direct costs	25,764	952	4,118	30,834	76,661
Support costs	-	-	-	-	-
Funding for the multi-academy trust's educational operations:					
Direct costs	7,372,123	506,974	971,032	8,850,129	7,326,754
Support costs	1,745,619	505,675	845,012	3,096,306	2,814,407
	9,143,506	1,013,601	1,820,162	11,977,269	10,217,822
<i>Analysis of 2017 total</i>	7,759,920	768,862	1,689,040	10,217,822	

**8. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2018 £</b>	<b>Support costs 2018 £</b>	<b>Total 2018 £</b>	<b>Total 2017 £</b>
Funding for the multi-academy trust's educational operations	8,850,129	3,096,306	11,946,435	10,141,161
<i>Analysis of 2017 total</i>	7,326,754	2,814,407	10,141,161	

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**Notes to the Financial Statements**  
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**8. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Total 2018 £</b>	<i>Total 2017 £</i>
Staff expenses	133,527	85,407
Educational supplies	256,663	212,988
Staff related insurance	5,215	15,210
Technology costs	162,507	93,894
Educational consultancy	271,877	254,498
Other direct costs	141,243	110,127
Wages and salaries	5,877,430	4,947,368
National insurance	519,020	427,317
Pension cost	975,673	802,767
Depreciation	506,974	377,178
	<u>8,850,129</u>	<u>7,326,754</u>
<i>Analysis of 2017</i>	<u>7,326,754</u>	

**Analysis of support costs**

	<b>Total 2018 £</b>	<i>Total 2017 £</i>
Staff costs	1,745,619	1,510,581
Staff expenses	6,559	13,473
Staff related insurance	-	3,022
Technology costs	97,145	82,920
Maintenance of premises	164,788	138,470
Special facilities	10,935	27,624
Cleaning and caretaking	103,111	93,512
Operating lease rentals	22,799	21,775
Rates	58,680	49,385
Energy	126,610	88,964
Security	30,742	21,353
Transport	2,816	5,144
Catering	429,441	400,744
Legal and professional fees	91,289	80,587
Governance costs	24,505	85,457
Other support costs	181,267	191,396
	<u>3,096,306</u>	<u>2,814,407</u>
<i>Analysis of 2017</i>	<u>2,814,407</u>	

**9. Expenditure - Analysis of specific expenses**

Gifts made by the trust totalled £1,058.

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**The Spring Partnership Trust**  
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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

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**10. Net income/(expenditure)**

This is stated after charging:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Depreciation of tangible fixed assets:		
- owned by the charity	497,918	376,106
Amortisation of intangible fixed assets	9,055	2,136
Operating lease rentals	22,799	21,689
	<u>          </u>	<u>          </u>

**11. Auditors' remuneration**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Fees payable to the multi-academy trust's auditor and its associates for the audit of the multi-academy trust's annual accounts	14,515	17,500
Fees payable to the multi-academy trust's auditor and its associates in respect of:		
Audit-related assurance services	4,360	4,000
Internal audit services	3,945	5,070
	<u>          </u>	<u>          </u>

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**Notes to the Financial Statements**  
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**12. Staff costs**

**a. Staff costs**

Staff costs were as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Wages and salaries	6,617,673	5,573,729
Social security costs	583,113	487,849
Defined benefit pension schemes costs	1,561,660	1,359,633
	<u>8,762,446</u>	<u>7,421,211</u>
Agency staff costs	381,060	309,947
Staff restructuring costs	-	28,762
	<u>9,143,506</u>	<u>7,759,920</u>

Staff restructuring costs comprise:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Redundancy payments	-	1,412
Severance payments	-	27,350
	<u>-</u>	<u>28,762</u>

**b. Staff numbers**

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

	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
Management	26	18
Teachers	88	80
Administration and support	236	204
	<u>350</u>	<u>302</u>

Average headcount expressed as a full time equivalent:

	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
Management	25	17
Teachers	71	65
Administration and support	151	118
	<u>247</u>	<u>200</u>

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**The Spring Partnership Trust**  
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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

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**12. Staff costs (continued)**

**c. Higher paid staff**

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

	<b>2018</b>	<b>2017</b>
	<b>No.</b>	<b>No.</b>
In the band £ 60,001 - £ 70,000	1	1
In the band £ 70,001 - £ 80,000	1	1
In the band £ 80,001 - £ 90,000	1	1
In the band £ 130,001 - £ 140,000	1	0

The above employees all participated in the Teachers' Pension Scheme. During the year ended 31 August 2018, pension contributions for these members of staff amounted to £59,377 (2017: £36,993).

The trustees reviewed the CEO pay and have agreed the range to be between £112,460 and £125,000. The current year disclosure includes an element of backpay reflecting the growth of the multi-academy trust during the academic year 2016/17. The CEO is included in the band £130,001 - £140,000 above. If the backpay had been reflected in the comparative figure the CEO would be shown in the £110,000 - £120,000 band for both years.

**d. Key management personnel**

The key management personnel of the multi-academy trust comprises the staff trustees and senior management team as listed on page 1. The total amount of employee benefits (including employer pension contributions and employer national insurance contributions) received by key management personnel for their services to the multi-academy trust was £622,597 (2017: £557,138).

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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

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**13. Central services**

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

- Chief executive officer
- Chief financial officer and central finance team
- Clerking
- Audit and assurance
- Human Resources consultancy and administration
- Monitoring, assessments and reporting
- Legal and other consultancy
- School improvement work
- Procurement expertise
- Trustwide IT provision
- Payroll services
- Public relations
- Outreach behaviour services

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

Each academy pays a 'top slice' of their General Annual Grant income to the multi-academy trust's central services fund. This payment is at a set percentage of 7% (2017: 6%). The top slice percentage is reduced for new academies joining the multi-academy trust part way through the year.

The actual amounts charged during the year were as follows:

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Hayes Primary School	167,284	146,896
St. Mary Cray Primary Academy	88,903	71,500
Castlecombe Primary School	74,306	64,464
Dorset Road Infant School	30,300	26,513
Leesons Primary School	99,051	39,665
Midfield Primary School	132,625	54,328
	<hr/>	<hr/>
Total	<b>592,469</b>	<b>403,366</b>
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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

**14. Trustees' remuneration and expenses**

The Chief Executive Officer (CEO) is the only Trustee who has been paid remuneration or who has received other benefits from an employment with the multi-academy trust. The CEO only receives remuneration in respect of services she provides undertaking the role of CEO under her contract of employment, and not in respect of her role as Trustee. The value of her remuneration and other benefits was as follows:

		2018 £	2017 £
Mrs. J.P. Brinkley, CEO and Accounting Officer	Remuneration	135,000-140,000	85,000-90,000
	Pension contributions paid	20,000-25,000	10,000-15,000

The trustees reviewed the CEO pay and have agreed the range to be between £112,460 and £125,000. The current year disclosure includes an element of backpay reflecting the growth of the multi-academy trust during the academic year 2016/17. If the backpay had been reflected in the comparative figure the CEO would be shown in the £110,000 - £120,000 band for both years.

During the year, no Trustees received any benefits in kind (2017 - £NIL).

During the year ended 31 August 2018, expenses totalling £119 (2017 - £240) were reimbursed to 1 Trustee (2017 - 1).

**15. Trustees' and Officers' Insurance**

In accordance with normal commercial practice the academy has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2018 was £2,601 (2017 - £2,601).

**16. Intangible fixed assets**

	Computer Software £
<b>Cost</b>	
At 1 September 2017 and 31 August 2018	45,275
<b>Amortisation</b>	
Charge for the year	9,055
At 31 August 2018	11,191
<b>Carrying amount</b>	
At 31 August 2018	34,084
At 31 August 2017	43,139

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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

**17. Tangible fixed assets**

	Freehold and Leasehold property £	Furniture and fixtures £	Computer equipment £	Assets under construction £	Total £
<b>Cost or valuation</b>					
At 1 September 2017	22,216,276	468,862	246,940	2,488,779	25,420,857
Additions	96,751	91,990	11,425	6,600,289	6,800,455
Transfer between classes	4,248,500	-	-	(4,248,500)	-
Revaluation surplus/(deficit)	2,113,000	-	-	-	2,113,000
At 31 August 2018	28,674,527	560,852	258,365	4,840,568	34,334,312
<b>Depreciation</b>					
At 1 September 2017	816,589	270,689	171,464	-	1,258,742
Charge for the year	359,329	87,808	50,781	-	497,918
At 31 August 2018	1,175,918	358,497	222,245	-	1,756,660
<b>Net book value</b>					
At 31 August 2018	27,498,609	202,355	36,120	4,840,568	32,577,652
At 31 August 2017	21,399,687	198,173	75,476	2,488,779	24,162,115

Freehold and Leasehold property valuation at 31 August 2018 is as follows:

	Freehold and Leasehold property £
<b>At cost</b>	16,853,600
<b>At valuation:</b>	
Depreciated replacement cost valuation 31 August 2016	5,299,297
Depreciated replacement cost valuation 31 August 2018	2,113,000
	24,265,897

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2018 £	2017 £
Cost	16,853,600	14,331,785
Accumulated depreciation	(804,184)	(624,187)
Net book value	16,049,416	13,707,598

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**Notes to the Financial Statements**  
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**18. Stocks**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Finished goods and goods for resale	11,055	1,116

The difference between purchase price or production cost of stocks and their replacement cost is not material.

**19. Debtors**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Trade debtors	56,602	130,364
Other debtors	88,908	292,920
Prepayments and accrued income	370,246	1,222,955
	<u>515,756</u>	<u>1,646,239</u>

**20. Creditors: Amounts falling due within one year**

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Other loans	17,053	11,369
Trade creditors	313,596	485,960
Other taxation and social security	47,137	135,143
Other creditors	215,964	136,716
Accruals and deferred income	1,487,828	1,132,857
	<u>2,081,578</u>	<u>1,902,045</u>
	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
<b>Deferred income</b>		
Deferred income at 1 September 2017	211,889	114,743
Resources deferred during the year	246,468	211,889
Amounts released from previous years	(211,889)	(114,743)
Deferred income at 31 August 2018	<u>246,468</u>	<u>211,889</u>

Deferred income comprises £174,624 (2017: £163,278) ESFA Universal Infant Free School Meals grant, £22,507 (2017: £nil) Rates relief grant, £39,337 (2017: £48,611) for educational trips and other amounts £10,000 (2017: £722).

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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

**21. Creditors: Amounts falling due after more than one year**

	<b>2018</b>	<i>2017</i>
	<b>£</b>	<i>£</i>
Other loans	28,421	34,105

Included within the above are amounts falling due as follows:

	<b>2018</b>	<i>2017</i>
	<b>£</b>	<i>£</i>
<b>Between one and two years</b>		
Other loans	5,684	5,684
<b>Between two and five years</b>		
Other loans	17,053	17,053
<b>Over five years</b>		
Other loans	5,684	11,368

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

	<b>2018</b>	<i>2017</i>
	<b>£</b>	<i>£</i>
Repayable by instalments	5,684	11,368

The amount provided for in other loans is an interest-free concessionary Salix Loan, provided to the multi-academy trust by the Department of Education. The total loan of £45,474 is repayable at £5,684 per annum over 8 years.

At 31 August 2018, no instalments have been taken by the Department of Education and has resulted in a loan balance falling due within one year of £17,053.

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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

**22. Statement of funds**

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
<b>General funds</b>						
Unrestricted funds	922,251	648,787	(687,051)	(96,748)	-	787,239
<b>Restricted funds</b>						
General Annual Grant (GAG)	166,477	8,416,593	(8,307,463)	(60,677)	-	214,930
Other DfE/ESFA grants	196,782	1,080,466	(1,139,803)	(1,091)	-	136,354
Other government grants	-	652,480	(679,678)	29,606	-	2,408
Other restricted funds	33,887	263,453	(277,256)	650	-	20,734
Pension reserve	(2,277,000)	-	(369,000)	-	973,000	(1,673,000)
	(1,879,854)	10,412,992	(10,773,200)	(31,512)	973,000	(1,298,574)
<b>Restricted Fixed Asset Funds</b>						
Intangible fixed asset fund	43,139	-	(9,055)	-	-	34,084
Tangible fixed asset fund	18,862,818	4,893,060	(497,920)	1,907,397	-	25,165,355
Salix loan fund	(15,544)	-	-	-	-	(15,544)
Unspent capital grants fund	1,135,441	691,233	(10,043)	(1,779,137)	-	37,494
Revaluations fund	5,299,297	-	-	-	2,113,000	7,412,297
	25,325,151	5,584,293	(517,018)	128,260	2,113,000	32,633,686
Total restricted funds	23,445,297	15,997,285	(11,290,218)	96,748	3,086,000	31,335,112
Total of funds	24,367,548	16,646,072	(11,977,269)	-	3,086,000	32,122,351

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

- (i) General Annual Grant "GAG" must be used for the normal running costs of the multi-academy trust's academies.
- (ii) The Other DfE/ESFA grants fund is used to track non-GAG grants provided by the DfE and related bodies.
- (iii) The Other government grants fund is used to track grants provided by the local authority and other government departments.
- (iv) The Pension reserve is a restricted fund to account for the liability arising under the Local Government Pension Scheme.
- (v) The Restricted fixed asset funds are carried forward to meet the specific costs of fixed asset projects and to cover the depreciation charges that will be required on these projects going forward and the current fixed assets held. The transfers into this fund represent capital items purchased during the year from revenue reserves.

Under the funding agreement with the Secretary of State, the multi-academy trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

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

**Analysis by fund balance**

Fund balances at 31 August 2018 were allocated as follows:

	<b>Total 2018 £</b>	<i>Total 2017 £</i>
Hayes Primary School	272,881	377,746
St Mary Cray Primary Academy	112,455	89,614
Castlecombe Primary School	112,732	177,452
Dorset Road Infant School	11,813	34,630
Leesons Primary School	298,115	316,323
Midfield Primary School	405,463	345,332
Central trust department	(51,794)	(21,700)
Total before fixed asset fund and pension reserve	1,161,665	1,319,397
Restricted fixed asset fund	32,633,686	25,325,151
Pension reserve	(1,673,000)	(2,277,000)
Total	32,122,351	24,367,548

The Central trust department is carrying net deficit on its portion of the funds as follows:

	<b>Amount of deficit £</b>
Central trust department	(51,794)

The Central trust department had a brought forward revenue fund deficit of £21,700 as a result of centralisation set up costs. A further revenue deficit of £30,094 was incurred during 2017/18 as a result of staff illness; this was due to the subsequent lack of income generation that was originally anticipated (£20k) as well as working to ensure the Trust's compliance with GDPR.

The multi-academy trust is taking the following action to return the Central trust department to surplus:

The Trustees will be reviewing the overall revenue fund deficit of £51,794 in the 2018/19 academic year and agree on an appropriate strategy to remedy this deficit.

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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

**22. Statement of funds (continued)**

**Analysis of academies by cost**

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2018 £	Total 2017 £
Hayes Primary School	1,855,306	263,671	76,611	641,310	2,836,898	2,834,536
St Mary Cray Primary Academy	945,965	169,994	35,546	256,205	1,407,710	1,406,898
Castlecombe Primary School	1,051,065	187,508	32,257	273,146	1,543,976	1,303,792
Dorset Road Infant School	334,866	56,667	11,659	97,948	501,140	480,919
Leesons Primary School	1,234,024	182,459	50,029	284,109	1,750,621	1,251,843
Midfield Primary School	1,780,085	190,013	48,087	415,472	2,433,657	1,782,256
Central trust department	196,580	326,308	2,474	470,932	996,294	779,336
	<u>7,397,891</u>	<u>1,376,620</u>	<u>256,663</u>	<u>2,439,122</u>	<u>11,470,296</u>	<u>9,839,580</u>

Note: The comparative figures for Leesons Primary School and Midfield Primary School are all lower than the current year total predominantly because each of these academies joining the trust part way through 2016-17.

The difference between the comparative and actual figures at Castlecombe Primary School are due to the expansion to 2 Form of Entry from KS2 and the setting up of the nurture facility.

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

**Statement of funds - prior year**

	<i>Balance at 1 September 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2017 £</i>
<b>General funds</b>						
Unrestricted funds	413,191	586,356	(438,258)	360,962	-	922,251
Transfer from local authority on conversion	-	25,178	-	(25,178)	-	-
Transfer of existing academies	-	423,919	-	423,919	-	847,838
	<u>413,191</u>	<u>1,035,453</u>	<u>(438,258)</u>	<u>759,703</u>	<u>-</u>	<u>1,770,089</u>
<b>Restricted funds</b>						
General Annual Grant (GAG)	93,876	7,506,036	(7,533,060)	99,625	-	166,477
Other DfE/ESFA grants	69,395	897,472	(928,208)	158,123	-	196,782
Other government grants	-	610,409	(592,418)	15,896	-	33,887
Other restricted funds	11,531	5,942	(5,942)	(11,531)	-	-
Transfer of existing academies	-	301,569	-	(301,569)	-	-
Pension reserve	(1,261,000)	(1,567,000)	(341,000)	-	892,000	(2,277,000)
	<u>(1,086,198)</u>	<u>7,754,428</u>	<u>(9,400,628)</u>	<u>(39,456)</u>	<u>892,000</u>	<u>(1,879,854)</u>
<b>Restricted Fixed Asset Funds</b>						
Intangible fixed asset fund	-	-	(2,136)	45,275	-	43,139
Tangible fixed asset fund	6,035,567	3,222,225	(376,800)	9,981,826	-	18,862,818
Salix loan fund	(15,544)	-	-	-	-	(15,544)
Unspent capital grants fund	4,997	1,130,444	-	-	-	1,135,441
Revaluations fund	-	-	-	-	5,299,297	5,299,297
Transfer from local authority on conversion	-	1,095,000	-	(1,095,000)	-	-
Transfer from existing academies into the trust	-	8,804,510	-	(8,804,510)	-	-
	<u>6,025,020</u>	<u>14,252,179</u>	<u>(378,936)</u>	<u>127,591</u>	<u>5,299,297</u>	<u>25,325,151</u>
Total restricted funds	<u>4,938,822</u>	<u>22,006,607</u>	<u>(9,779,564)</u>	<u>88,135</u>	<u>6,191,297</u>	<u>23,445,297</u>
Total of funds	<u>5,352,013</u>	<u>23,042,060</u>	<u>(10,217,822)</u>	<u>847,838</u>	<u>6,191,297</u>	<u>25,215,386</u>

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**Notes to the Financial Statements**  
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**23. Analysis of net assets between funds**

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted fixed asset funds 2018 £	Total funds 2018 £
Intangible fixed assets	-	-	34,084	34,084
Tangible fixed assets	-	-	32,577,652	32,577,652
Current assets	787,239	2,468,881	37,494	3,293,614
Creditors due within one year	-	(2,066,034)	(15,544)	(2,081,578)
Creditors due in more than one year	-	(28,421)	-	(28,421)
Provisions for liabilities and charges	-	(1,673,000)	-	(1,673,000)
	<u>787,239</u>	<u>(1,298,574)</u>	<u>32,633,686</u>	<u>32,122,351</u>

**Analysis of net assets between funds - prior year**

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Intangible fixed assets	-	-	43,139	43,139
Tangible fixed assets	-	-	24,162,115	24,162,115
Current assets	922,251	1,503,884	1,949,309	4,375,444
Creditors due within one year	-	(1,084,291)	(817,754)	(1,902,045)
Creditors due in more than one year	-	(22,447)	(11,658)	(34,105)
Provisions for liabilities and charges	-	(2,277,000)	-	(2,277,000)
	<u>922,251</u>	<u>(1,879,854)</u>	<u>25,325,151</u>	<u>24,367,548</u>

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

	2018 £	2017 £
Net income for the year (as per Statement of Financial Activities)	4,668,803	12,824,238
<b>Adjustment for:</b>		
Depreciation on tangible fixed assets	497,918	376,106
Amortisation on intangible fixed assets	9,055	2,136
Interest from investments	(1,454)	(1,238)
Loss on the disposal of tangible fixed assets	-	1,759
Increase in stocks	(9,939)	(1,116)
Decrease/(increase) in debtors	1,130,483	(1,165,453)
Increase in creditors	173,849	724,426
Capital grants from DfE and other capital income	(5,584,293)	(2,907,839)
Defined benefit pension scheme obligation inherited	-	110,000
Defined benefit pension scheme cost less contributions payable	297,000	271,000
Defined benefit pension scheme finance cost	52,000	53,000
Defined benefit pension scheme administration cost	20,000	17,000
Net gain on assets and liabilities from local authority on conversion	-	(1,120,178)
Fixed assets transferred in from existing academies	-	(8,609,687)
Fixed assets donated from local authority	-	(1,444,830)
Defined benefit pension scheme obligations transferred in from existing academies	-	1,457,000
<b>Net cash provided by operating activities</b>	<u>1,253,422</u>	<u>586,324</u>

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**The Spring Partnership Trust**  
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**Notes to the Financial Statements**  
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**25. Analysis of cash and cash equivalents**

	<b>2018</b>	<i>2017</i>
	<b>£</b>	<b>£</b>
Cash in hand	2,766,803	2,728,089
Total	<u>2,766,803</u>	<u>2,728,089</u>

**26. Capital commitments**

At 31 August 2018 the multi-academy trust had capital commitments as follows:

	<b>2018</b>	<i>2017</i>
	<b>£</b>	<b>£</b>
Contracted for but not provided in these financial statements	<u>-</u>	<u>1,128,959</u>

**27. Pension commitments**

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

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

Contributions amounting to £96,768 were payable to the schemes at 31 August 2018 (2017: £135,922) and are included within creditors.

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**Notes to the Financial Statements**  
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**27. Pension commitments (continued)**

**Teachers' Pension Scheme**

**Introduction**

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

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

**Valuation of the Teachers' Pension Scheme**

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 government has warned of a rise in the employer rate, but has also indicated that any rise will be funded until March 2020 and will be thereafter reviewed.

The employer's pension costs paid to TPS in the period amounted to £577,000. (2017 - £511,000)

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

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

**Local Government Pension Scheme**

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £777,000. (2017 - £634,000), of which employer's contributions totalled £623,000. (2017 - £510,000) and employees' contributions totalled £154,000. (2017 - £124,000). The agreed contribution rates for future years are 23.3% for employers and 5.5% - 12.5% for employees.

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

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**27. Pension commitments (continued)**

Principal actuarial assumptions:

	<b>2018</b>	<i>2017</i>
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	3.60 %	3.70 %
Rate of increase for pensions in payment / inflation	2.20 %	2.20 %
Inflation assumption (CPI)	2.10 %	2.20 %

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

	<b>2018</b>	<i>2017</i>
Retiring today		
Males	23.4	23.3
Females	26.1	26.0
Retiring in 20 years		
Males	26.1	25.9
Females	28.4	28.3

<b>Sensitivity analysis</b>	<b>At 31 August 2018</b>	<i>At 31 August 2017</i>
	<b>£</b>	<b>£</b>
Discount rate +0.1%	178,000	154,000
Discount rate -0.1%	(178,000)	(154,000)
Mortality assumption - 1 year increase	(133,000)	(120,000)
Mortality assumption - 1 year decrease	133,000	120,000
CPI rate +0.1%	(180,000)	(161,000)
CPI rate -0.1%	180,000	161,000

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

	<b>Fair value at 31 August 2018</b>	<i>Fair value at 31 August 2017</i>
	<b>£</b>	<b>£</b>
Equities	3,805,000	3,458,000
Corporate bonds	738,000	636,000
Cash and other liquid assets	194,000	63,000
Other	999,000	377,000
<b>Total market value of assets</b>	<b>5,736,000</b>	<b>4,534,000</b>

The actual return on scheme assets was £440,000 (2017 - £666,000).

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**27. Pension commitments (continued)**

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Current service cost	(925,000)	(841,000)
Interest income	125,000	79,000
Interest cost	(177,000)	(132,000)
Admin expenses	(20,000)	(17,000)
	<u>(997,000)</u>	<u>(911,000)</u>
Total	<u>(997,000)</u>	<u>(911,000)</u>

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Opening defined benefit obligation	6,811,000	2,890,000
Upon conversion	-	219,000
Transferred in on existing academies joining the trust	-	3,089,000
Current service cost	925,000	841,000
Interest cost	177,000	132,000
Employee contributions	157,000	138,000
Actuarial gains	(656,000)	(492,000)
Benefits paid	(5,000)	(6,000)
	<u>7,409,000</u>	<u>6,811,000</u>
Closing defined benefit obligation	<u>7,409,000</u>	<u>6,811,000</u>

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

	<b>2018</b>	<b>2017</b>
	<b>£</b>	<b>£</b>
Opening fair value of scheme assets	4,534,000	1,629,000
Transferred in on existing academies joining the trust	-	1,741,000
Interest income	125,000	79,000
Actuarial losses	317,000	400,000
Employer contributions	628,000	570,000
Employee contributions	157,000	138,000
Benefits paid	(5,000)	(6,000)
Admin expenses	(20,000)	(17,000)
	<u>5,736,000</u>	<u>4,534,000</u>
Closing fair value of scheme assets	<u>5,736,000</u>	<u>4,534,000</u>

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**Notes to the Financial Statements**  
**For the Year Ended 31 August 2018**

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**28. Operating lease commitments**

At 31 August 2018 the total of the multi-academy trust's future minimum lease payments under non-cancellable operating leases was:

	2018 £	2017 £
<b>Amounts payable:</b>		
Within 1 year	21,586	23,836
Between 1 and 5 years	15,976	31,519
Total	<u>37,562</u>	<u>55,355</u>

**29. Members' liability**

Each member of the multi-academy trust 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.

**30. Related party transactions**

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 14, and the transactions listed below:

Hayes Primary School PTA - parent, teacher association established for the benefit of Hayes Primary School

During the year the multi-academy trust received £4,189 from the Hayes Primary School PTA.

Dorset Road Infant School PTA - parent, teacher association established for the benefit of Dorset Road Infant School

During the year the multi-academy trust received £200 from Dorset Road Infant School PTA

Midfield Primary School PTA - parent, teacher association established for the benefit of Midfield Primary School

During the year the multi-academy trust received £1,445 from Midfield Primary School PTA

**Employment related transaction:**

During the year Mrs J. Cliff, the wife of Mr J. Cliff, a trustee, worked at Leeson's Primary School, one of the multi-academy trust's constituent academies. Mrs. J. Cliff was paid a salary under an employment contract for her role. Mr. J. Cliff had no involvement in his wife's appointment, and the trustees are comfortable that Mrs. J. Cliff's salary provides value for money and is not at a preferential rate.

**31. Ultimate controlling party**

The multi-academy trust is run by the management team on a day to day basis. Strategic decisions are made by the trustees. There is no ultimate controlling party.