
TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS OF THE TRUST, ITS TRUSTEES AND ADVISERS
FOR THE PERIOD ENDED 31 AUGUST 2013

Members and Trustees

Mr P Bond, Chair and Member (appointed 28 May 2012)
Mrs J Aukett, Vice Chair and Member (appointed 28 May 2012)
Mr C Browne (appointed 28 May 2012)
Mr P Cornford (appointed 28 May 2012)
Mr A Else, Member (appointed 28 May 2012)
Mr D J Hampson OBE (appointed 28 May 2012)
Mrs J Hornby, Staff Trustee (appointed 28 May 2012)
Mrs E Jefferson (appointed 28 May 2012)
Mr S Woolsey (appointed 28 May 2012)

Company Registered Number

08085503

Principal and Registered Office

Tollbar Academy, Station Road, New Waltham, Grimsby, North East Lincolnshire, DN36 4RZ

Trustees' Secretary

Mr G Taylor

Chief Executive

Mr D J Hampson OBE

External Auditor

Streets Audit LLP, Tower House, Lucy Tower Street, Lincoln, Lincolnshire, LN1 1XW

Bankers

HSBC Bank PLC, 53 Victoria Street, Grimsby, DN31 1UX

Solicitors

Wilkin Chapman Grange, PO Box 16, Town Hall Square, Grimsby, North East Lincolnshire, DN31 1HE

Internal Auditor

Forrester Boyd, 26 South Saint Mary's Gate, Grimsby, DN31 1LW

TOLLBAR MULTI ACADEMY TRUST
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TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 AUGUST 2013

The trustees (who are also directors of the charity for the purposes of the Companies Act) present their annual report together with the audited financial statements of Tollbar Multi Academy Trust (the Trust) for the period ended 31 August 2013. The trustees confirm that the Annual report and financial statements of the Trust comply with the current statutory requirements, the requirements of the Trust's governing document and the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

Structure, governance and management

a. CONSTITUTION

The Trust is a company limited by guarantee governed by its Memorandum and Articles of Association dated 25 May 2012. It is an exempted charity.

The Multi Academy Trust formally commenced operations on 1 September 2012.

b. MEMBERS' LIABILITY

Each member of the charitable company undertakes to contribute to the assets of the charitable company in the event of it being wound up while they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they ceased to be a member. The total number of such guarantees on 31 August 2013 was 3

c. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

Members of the company and trustees are appointed as set out in the Articles of Association.

d. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

Following appointment, election or co-option, new trustees meet other trustees at full board meetings. The vice-chair has responsibility for induction and training.

e. ORGANISATIONAL STRUCTURE

The constitution of the board of trustees is set out in the articles of association. Trustees are appointed / elected / co-opted for a period of four years. The chair and vice-chair are elected bi-annually. Trustees appoint a chief executive to assure the strategic intentions of the Multi Academy Trust. The chief executive is a director of the Multi Academy Trust. The trustees appoint Principals to take responsibility for the day-to-day management of the constituent academies. Trustees appoint a clerk who takes on the role of trustees' secretary.

The Trust has the following committees and governing bodies in place:

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FINANCE COMMITTEE	<p>Mrs J Aukett Mr A Else Mr D J Hampson, OBE Mrs J C Hornby Mrs E Jefferson Mr S Woolsey</p> <p style="text-align: right;">Chair Vice Chair</p>	QUORUM: 3 DELEGATED POWERS: Yes
AUDIT COMMITTEE	<p>Mr P Bond Mr C Browne Mr P Cornford Mr A Else Mrs J Hornby</p> <p style="text-align: right;">Chair</p>	QUORUM: 3 DELEGATED POWERS: Yes
PERSONNEL COMMITTEE	<p>Mrs J Aukett Mr P Bond Mr C Browne Mr P Cornford Mr A Else Mr D J Hampson, OBE Mrs J C Hornby Mrs E Jefferson Mr S Woolsey</p>	QUORUM:3 DELEGATED POWERS: Yes
ADMISSIONS COMMITTEE	<p>Mrs J Aukett Mr P Bond Mr C Browne Mr P Cornford Mr A Else Mr D J Hampson, OBE Mrs J C Hornby Mrs E Jefferson Mr S Woolsey</p>	QUORUM: 3 DELEGATED POWERS: Yes
COMPLAINTS COMMITTEE	<p>Mrs J Aukett Mr P Bond Mr C Browne Mr P Cornford Mr A Else Mr D J Hampson, OBE Mrs J C Hornby Mrs E Jefferson Mr S Woolsey</p>	QUORUM: 3 DELEGATED POWERS: Yes
PAY AND PERFORMANCE COMMITTEE	<p>Mrs J Aukett Mr P Cornford Mr A Else Mrs E Jefferson</p> <p style="text-align: right;">Chair Vice Chair</p>	QUORUM: 3 DELEGATED POWERS: Yes

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COMMITTEES OF THE BOARD OF DIRECTORS (Part 2)		
THE LOCAL GOVERNING BODY OF TOLLBAR ACADEMY	<p>MRS AUKETT (Vice Chair) MRS BIRTWHISTLE MR BOND (Chair) MRS CLAYTON MR ELSE MRS JEFFERSON MRS MATHEWS MR MIDDLETON MR MOON MRS MUMBY MRS NUNN</p>	<p>QUORUM: 3</p> <p>DELEGATED POWERS: YES</p>
THE LOCAL GOVERNING BODY OF CLEETHORPES ACADEMY	<p>MR ARTHUR (Vice Chair) MRS AUKETT MR BLAKE (Chair) MR BOND MR BROWN MR DRAPER MR ELSE MS NIXON MR READ MISS SCOTT MRS TAYLOR</p>	<p>QUORUM: 3</p> <p>DELEGATED POWERS: YES</p>

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2013

f. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

Tollbar Multi Academy Trust has formed two Local Governing Bodies, acting as committees of the Trust (see above) in respect of its two constituent academies, Tollbar Academy and Cleethorpes Academy.

g. RISK MANAGEMENT

A risk register and actions to mitigate risks inform the composition of the Trust's Business Plan (see below). Higher level risks are brought into the priority areas for action in that plan. Trustees agree the annual business plan which is associated with the risk register and risk management plan.

h. SYSTEM OF INTERNAL FINANCIAL CONTROL

The internal auditor undertakes regular system tests under the direction of the audit committee as set out in the EFA financial handbook. The audit committee meets regularly and receives detailed reports from the internal auditor. The finance committee meets once a month and receives detailed reports from the Finance and Administration Officer, the Chief Operating Officer and the Chief Executive. In this way, trustees have full knowledge of how spend and income is matching the budget profile. Monthly reconciliations of accounts with the bank are reported.

Objectives and Activities

a. OBJECTS AND AIMS

The Trust operates for charitable purposes to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

b. ACTIVITIES FOR ACHIEVING OBJECTIVES

To fulfil this object the Trust formulates an annual business plan, informed by self evaluation and approved by the trustees, which specifies priorities for attention and associated areas for action. The plan that was used for the period 2012-13 is set out below:

TOLLBAR MULTI ACADEMY TRUST
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PRIORITY 1: ASSURE HIGH LEVEL ACADEMIC OUTCOMES

RATIONALE

Tollbar MAT was established to improve the life chances of each and every student in the company's schools. A key strategy for achieving this is through maximising students' results in national tests and public examinations. The Centre plays a direct role in enabling the constituent academies to deliver on this objective. A specific expectation is that academies prove that they are narrowing gaps without lowering the attainment of currently high performing groups.

ACTIONS

- a. Monitor strategies in the constituent academies and hold Principals to account [CEO]
- b. Ensure academies set and meet challenging academic targets [CEO]
- c. Implant all MAT policies and procedures across constituent academies [COO]
- d. Place common ICT infrastructures and resources across the whole organisation [ICO]
- e. Support academies in their management and performance [HRO] [SIOP] [SIOS]
- f. Provide strategic direction [CEO]
- g. Make necessary environment changes [COO]
- h. Guarantee effective resources for teaching and learning [COO]
- i. Ensure best practices in any one academy are noted and made known across all academies [SIOP] [SIOS]
- j. Recruit appropriate staff and provide quality CPD [HRO] [SIOP] [SIOS]

RISKS

- I. Changes to examination methodology
- II. Changes to student entry profiles
- III. Insufficient capacity in SLT in constituent academies
- IV. National changes to funding
- V. Political landscape
- VI. Business interruption at the centre or in constituent academies

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PRIORITY 2: ASSURE THE REPUTATION OF CONSITUENT ACADEMIES

RATIONALE

The significant success and consequential high reputation of Tollbar Academy is the model applied by the MAT across its constituent academies. Tollbar Academy is the school of first choice in (and beyond) its locality. The challenge is to maintain the high reputation at Tollbar Academy whilst building similarly high reputations in other constituent academies.

ACTIONS

- a. Promote the academies in the MAT across their communities. [CEO]
- b. Establish and develop the brand. [CEO]
- c. Directly intervene in any academy whose reputation is at risk. [CEO]
- d. Monitor and evaluate performance to identify potential risks [CEO]
- e. Ensure academies promote themselves within their communities [CEO]

RISKS

- I. Unforeseen crisis at one of the constituent academies
- II. Dramatic fall in outcomes at any academy
- III. Actions of competitor MATs
- IV. Business interruption
- V. Loss of reputation of SLT at academies or centre

PRIORITY 3: ASSURE THE SUPPLY OF LEADERS, TEACHERS AND ADMINISTRATORS

RATIONALE

Key to success in any academy is the quality of staff. Initially, using the proven ability of staff from Tollbar Academy to support the work of the MAT and to disseminate Tollbar Academy's winning ways across constituent academies has worked well. The source of this expertise needs to be assured and developed to sustain current arrangements and prepare for additional constituent academies in the MAT.

ACTIONS

- a. Recruit, sustain and support staff to deliver outstanding outcomes [HRO]
- b. Recruit to the MAT from constituent academies [CEO]
- c. Assure professional development and expertise [HRO] [SIOP] [SIOS]
- d. Provide pathways for leadership development [HRO] [CEO]
- e. Procure suitable consultants to deliver across the full range of business needs [COO]

RISKS

- I. Expertise leaves
- II. Lack of suitably experienced and qualified staff
- III. Recruitment and retention strategy proves ineffective
- IV. Neighbouring academies offer better pay, terms and conditions

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PRIORITY 4: PROVIDE EFFECTIVE CORE SERVICES ACROSS ALL CONSITUENT ACADEMIES

RATIONALE

Core services, originating in Tollbar Academy, have already proved pivotal in supporting the recovery at Cleethorpes Academy. This high quality provision needs to be sustained as well as expanded to meet the needs of an expanding MAT.

ACTIONS

- a. Provide and implement centralised common financial procedures [FAO]
- b. Provide centralised HR functions [HRO]
- c. Provide centralised ICT support [ICO]
- d. Provide ICT infrastructure development [ICO]
- e. Provide property and plant management [COO]
- f. Procure additional expertise as required [CEO]
- g. Provide additional services that constituent academies may purchase [COO]
- h. Guarantee effective resources for teaching and learning [COO]

RISKS

- I. Lack of suitable candidates for governors at local level
- II. Business interruption at the centre
- III. Insufficient capacity at the centre
- IV. Diseconomies of scale:
 - Co-ordination
 - Communication
 - Motivation

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**PRIORITY 5: PROVIDE FINANCIAL MANAGEMENT AND CONTROL ACROSS ALL
CONSTITUENT ACADEMIES**

RATIONALE

The Centre is unequivocal in its intention to control financial management across the MAT. The need to achieve best value in terms of spending public money to deliver the highest student outcomes is at the heart of the MAT's remit. Tight internal controls, honest appraisal of risks and robust risk mitigation measures are central to the Centre's operations and the Board's responsibilities.

ACTIONS

- a. Ensure transparency on constituent academy accounts [FAO]
- b. Complete the 'close-down' reports on Tollbar Academy and Cleethorpes Academy [FAO]
- c. Provide regular detailed reports to the constituent academies [FAO]
- d. Provide regular detailed reports (including the consolidated report) to the Board [FAO]
- e. Determine the scope of work for the internal auditor [CEO]
- f. Investigate providing constituent academies with software linked to the MAT for their financial monitoring [ICO]
- g. Put in place stringent controls on any cash and credit transaction [FAO]

RISKS

- I. Business interruption especially ICT breakdown
- II. Breaches of security and confidentiality
- III. Due diligence fails to identify hidden financial deficit or liability
- IV. Audit sampling misses errors
- V. Undetected misinterpretation of financial regulations
- VI. Conflicts of interest not declared

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PRIORITY 6: ENCOURAGE THE GROWTH OF THE MAT TO THE MUTUAL BENEFIT OF ALL CONSTITUENT ACADEMIES

RATIONALE

The winning ways of the nationally top ranking Tollbar Academy are the magnet to attract other schools into the MAT. Put simply: the MAT believes that all students are entitled to the opportunities and success that Tollbar Academy has hitherto achieved for its own students. As its unique selling point, the MAT is able to guarantee improved student outcomes to any school that joins. To deliver on this, both the MAT and any incoming school need to be fully aware of each other's position.

ACTIONS

- a. Undertake rigorous due diligence on any applicant (land, finance, performance, HR) [CEO]
- b. Continue high profile publicity of the MAT [ICO] [COO]
- c. Promote the ethos (unique selling point) of Tollbar Family of Academies [CEO] [SIOP] [SIOS]
- d. Promote the benefits of joining the Tollbar family of academies [COO] [SIOP] [SIOS]
- e. Use websites to promote the brand [ICO]
- f. Advertise to prospective constituent academies access to the high quality services associated with the MAT (school improvement, legal, HR, finance, IT, resource management) [COO]

RISKS

- I. Lack of clarity on DfE approach to MAT growth - brokerage arrangements
- II. Ignorance and ambiguity across the educational landscape on the nature of MATs
- III. Changing government agenda
- IV. Actions of other MATs
- V. Actions of NELC agencies

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2013

c. PUBLIC BENEFIT

The trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the Multi Academy Trust's objectives and aims and in planning future activities. Given the activities of the Multi Academy Trust and the student population that it services, the trustees consider that the Trust's aims are demonstrably to the public benefit.

Achievements and performance

a. GOING CONCERN

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

b. REVIEW OF ACTIVITIES

The following two pages set out the key deliverables associated with each priority above for July 2013. The colour coding shows the extent to which these top level targets were achieved:

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Fully achieved	
Partially achieved	
Not achieved	

PRIORITY 1: ASSURE HIGH LEVEL ACADEMIC OUTCOMES.

August 2012 position	August 2013 ambition
<p><u>Not applicable</u> as a different form of organisation: However, Tollbar Academy has outstanding academic outcomes and Cleethorpes Academy has significantly improving outcomes.</p>	a) All constituent institutions will be on track to deliver progress rates above the national upper quartile progress rates
	b) Any external inspection will judge standards of achievement to be good
	c) Over 75% of all teaching observed will be at least good

PRIORITY 2: ASSURE THE REPUTATION OF CONSITUENT ACADEMIES

August 2012 position	August 2013 ambition
<p><u>Not applicable</u> as a different form of organisation</p>	a) Increasing demand for places at all establishments
	b) Satisfaction surveys show high levels of confidence in all establishments

PRIORITY 3: ASSURE THE SUPPLY OF LEADERS, TEACHERS AND ADMINISTRATORS

August 2012 position	August 2013 ambition
<p><u>Not applicable</u> as a different form of organisation</p>	a) Staffing at full complement in all areas
	b) Future staffing vacancies are identified and clear strategies in place for their filling
	c) Clear evidence of how training has benefitted the supply of future senior positions of responsibility

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PRIORITY 4: PROVIDE EFFECTIVE CORE SERVICES ACROSS ALL CONSITUENT ACADEMIES.

August 2012 position	August 2013 ambition
Not applicable as a different method of service provision and charging	a) Clear evidence of how the full management costs of services provided to the Centre and each of the constituent academies are being charged and recouped
	b) Surveys show high levels of 'customer satisfaction' across all areas of service provision
	c) Market testing proves best value through in-house provision and current business partners

PRIORITY 5: PROVIDE FINANCIAL MANAGEMENT AND CONTROL ACROSS ALL CONSTITUENT ACADEMIES.

August 2012 position	August 2013 ambition
Not applicable because of a different finance model: However the previous financial management of two academies was judged outstanding	a) Financial management across the MAT established
	b) Audit report shows all controls to be effective
	c) Risk management secure
	d) All required reports completed accurately and on time

PRIORITY 6: ENCOURAGE THE GROWTH OF THE MAT TO THE MUTUAL BENEFIT OF ALL CONSTITUENT ACADEMIES

August 2012 position	August 2013 ambition
a) Cleethorpes Academy and Tollbar Academy with Tollbar Sixth Form College are the establishments entering the MAT	a) We will have brought in at least one more establishment
b) All establishments are performing well	b) All establishments performing well or improving

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2013

Financial review

a. FINANCIAL AND RISK MANAGEMENT OBJECTIVES AND POLICIES

Sufficient cash is held in reserve to enable the Trust to support any financial issues that it may experience. Review of monthly financial reports enable any issues to be identified at an early stage. Despite the pension scheme being in deficit, it is not considered to impact on the Trust.

b. PRINCIPAL RISKS AND UNCERTAINTIES

Information is still awaited on future funding for the Trust from 2014 onwards. The impact of national funding spending cuts and of redirected funding streams into the pupil premium for example, may have an adverse effect on grant funding. The trustees are fully aware of this and predicted changes have been factored in to future budget forecasts and spending decisions.

c. RESERVES POLICY

The trustees review the free reserve levels of the Trust on a regular basis. This takes account of income and expenditure streams and the requirement to match income with commitments.

The Basic Contingency for each constituent academy is set at £100,000, but the Contingency Developments account varies throughout the year, dependant on levels of expenditure and income streams. These are unrestricted funds and can be spent on anything which furthers the objectives of the Trust.

The level of reserves is based on a clear understanding of what the money is to be used for and is an essential element of strategic planning.

d. INVESTMENTS POLICY

The aim of this policy is to ensure that funds which the Trust does not immediately need to cover anticipated expenditure are invested in such a way as to maximise its income without risk. This would be implemented according to the principles within this policy.

Plans for the future

a. FUTURE DEVELOPMENTS

Informed by a thorough evaluation of the impact of the 2012-13 Business Plan and the long run intentions for the organisation, the Multi Academy Trust, known as the Tollbar Family of Academies, has set its priorities for the 2013-14 period which both reflect and inform those of the constituent academies:

1. Ensure high level academies outcomes;
2. Ensure the supply of competent staff;
3. Ensure the provision of value-for-money services;
4. Ensure the effective disbursement and proper management of funds;
5. Ensure the beneficial development of the organisation.

The 2013-14 trustees' report from the Multi Academy Trust will report progress against the key deliverables associated with each of these priorities.

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TRUSTEES' REPORT (continued)
FOR THE PERIOD ENDED 31 AUGUST 2013

DISCLOSURE OF INFORMATION TO AUDITOR

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

- so far as that trustee is aware, there is no relevant audit information of which the charitable company's auditor is unaware, and
- that trustee has taken all the steps that ought to have been taken as a trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

This report was approved by order of the Trust's Board of Trustees on 9 December 2013 and signed on its behalf by:

Mr P Bond
Chair of Trustees

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GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Trust's Board of Trustees has delegated the day-to-day responsibility to the Chief Executive, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Tollbar Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the Trust's Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Trustees' responsibilities statement. The Trust's Board of Trustees has formally met 6 times during the period. Attendance during the period at meetings of the Trust's Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Bond, Chair and Member	6	6
Mrs J Aukett, Vice Chair and Member	5	6
Mr C Browne	2	6
Mr P Cornford	5	6
Mr A Else, Member	6	6
Mr D J Hampson OBE	6	6
Mrs J Hornby, Staff Trustee	6	6
Mrs E Jefferson	4	6
Mr S Woolsey	6	6

The Finance Committee is a committee of the Trust's Board of Trustees. Its purpose is to regularly (monthly) monitor income and expenditure against budgets, consider the annual budget before presentation to the Board of Trustees and authorise the awarding of major contracts. It has a duty to report to the Board of Trustees on all significant financial matters.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
Mrs J Aukett	8	10
Mr A Else, Chair	10	10
Mr D J Hampson OBE	10	10
Mrs J Hornby	2	10
Mrs E Jefferson	0	10
Mr S Woolsey, Vice Chair	10	10

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GOVERNANCE STATEMENT (continued)

The Audit Committee is also a committee of the Trust's Board of Trustees. Its purpose is to review the internal audit reports and deal with matters arising from the external audit. It has a duty to report to the Board of Trustees on all significant matters.

Attendance at meetings in the period was as follows:

Trustee	Meetings attended	Out of a possible
Mr P Bond, Chair	2	2
Mr C Browne	1	2
Mr P Cornford	2	2
Mr A Else	1	2
Mrs J Hornby	1	2

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 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 Tollbar Multi Academy Trust for the period 28 May 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

The Trust's Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Trust's Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the period 28 May 2012 to 31 August 2013 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Trust's Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

The 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 Trust's Board of Trustees;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The Trust's Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Forrester Boyd as internal auditor.

The internal auditor's role includes performing a range of checks on the Trust's financial systems. On a periodic basis, the internal auditor reports to the Trust's Board of Trustees on the operation of the systems of control and on the discharge of the Trust's Board of Trustees' financial responsibilities.

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GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

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

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

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

Approved by order of the members of the Trust's Board of Trustees on 9 December 2013 and signed on their behalf, by:

Mr P Bond
Chair of Trustees

Mr D J Hampson OBE
Accounting Officer

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STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Tollbar Multi Academy Trust I have considered my responsibility to notify the Trust's Board of Trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook (2012).

I confirm that I and the Trust's Board of Trustees are able to identify any material, irregular or improper use of funds by the Trust, or material non-compliance with the terms and conditions of funding under the Trust's funding agreement and the Academies Financial Handbook (2012).

I confirm that no instances of material irregularity, impropriety or funding non-compliance have been discovered to date.

Mr D J Hampson OBE
Accounting Officer

Date: 9 December 2013

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TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2013

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP;
- 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 the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the Trust's Board of Trustees on 9 December 2013 and signed on its behalf by:

Mr P Bond
Chair of Trustees

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TOLLBAR MULTI ACADEMY TRUST

We have audited the financial statements of Tollbar Multi Academy Trust for the period ended 31 August 2013 which comprise the Statement of financial activities, the Balance sheet, the Cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable Trust's affairs as at 31 August 2013 and of its incoming resources and application of resources, including its income and expenditure, for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Academies Accounts Direction 2013 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF TOLLBAR MULTI ACADEMY TRUST

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

Robert Anderson (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

Statutory Auditor

Tower House
Lucy Tower Street
Lincoln
Lincolnshire
LN1 1XW
20 December 2013

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO TOLLBAR MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY

In accordance with the terms of our engagement letter dated 25 September 2013 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2013, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Tollbar Multi Academy Trust during the period 28 May 2012 to 31 August 2013 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 Tollbar Multi Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Tollbar Multi Academy Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Tollbar Multi Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF TOLLBAR MULTI ACADEMY TRUST'S ACCOUNTING OFFICER AND THE REPORTING AUDITOR

The accounting officer is responsible, under the requirements of Tollbar Multi Academy Trust's funding agreement with the Secretary of State for Education and the Academies Financial Handbook extant from 2006, 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 2013. 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 period 28 May 2012 to 31 August 2013 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 2013 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

**INDEPENDENT REPORTING AUDITOR'S ASSURANCE REPORT ON REGULARITY TO TOLLBAR MULTI
ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the period 28 May 2012 to 31 August 2013 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.

Robert Anderson (Senior statutory auditor)

for and on behalf of

Streets Audit LLP

Statutory Auditor

Tower House
Lucy Tower Street
Lincoln
Lincolnshire
LN1 1XW

20 December 2013

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of recognised gains and losses)
FOR THE PERIOD ENDED 31 AUGUST 2013

	Note	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £
INCOMING RESOURCES					
Incoming resources from generated funds:					
Voluntary income	2	294,266	100,093	19,217,232	19,611,591
Activities for generating funds	3,4	49,616	-	-	49,616
Investment income	5	26,815	-	-	26,815
Incoming resources from charitable activities	6	-	16,640,453	4,808,484	21,448,937
TOTAL INCOMING RESOURCES		370,697	16,740,546	24,025,716	41,136,959
RESOURCES EXPENDED					
Costs of generating funds:					
Fundraising expenses and other costs	4	35,889	-	-	35,889
Charitable activities	7	-	16,061,895	850,033	16,911,928
Governance costs	8	-	32,510	-	32,510
TOTAL RESOURCES EXPENDED	11	35,889	16,094,405	850,033	16,980,327
NET INCOMING RESOURCES BEFORE TRANSFERS		334,808	646,141	23,175,683	24,156,632
Transfers between Funds	23	-	(841,316)	841,316	-
NET INCOME FOR THE YEAR		334,808	(195,175)	24,016,999	24,156,632
Actuarial gains and losses on defined benefit pension schemes		-	212,000	-	212,000
NET MOVEMENT IN FUNDS FOR THE YEAR		334,808	16,825	24,016,999	24,368,632
<i>Total funds at 28 May 2012</i>		-	-	-	-
TOTAL FUNDS AT 31 AUGUST 2013		334,808	16,825	24,016,999	24,368,632

All activities derive from acquisitions in the current financial period.

The Statement of Financial Activities includes all gains and losses recognised in the period.

The notes on pages 28 to 49 form part of these financial statements.

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)
REGISTERED NUMBER: 08085503

BALANCE SHEET
AS AT 31 AUGUST 2013

	Note	£	2013 £
FIXED ASSETS			
Tangible assets	20		23,255,358
CURRENT ASSETS			
Debtors	21	285,965	
Cash at bank and in hand		2,351,070	
		<u>2,637,035</u>	
CREDITORS: amounts falling due within one year	22	(421,761)	
NET CURRENT ASSETS			<u>2,215,274</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>25,470,632</u>
Defined benefit pension scheme liability	29		<u>(1,102,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>24,368,632</u></u>
FUNDS OF THE TRUST			
Restricted funds:			
Restricted funds	23	1,118,825	
Restricted fixed asset funds	23	24,016,999	
		<u>25,135,824</u>	
Restricted funds excluding pension liability		25,135,824	
Pension reserve		<u>(1,102,000)</u>	
Total restricted funds			<u>24,033,824</u>
Unrestricted funds	23		<u>334,808</u>
TOTAL FUNDS			<u><u>24,368,632</u></u>

The financial statements were approved by the trustees, and authorised for issue, on 9 December 2013 and are signed on their behalf, by:

Mr P Bond
Chair of Trustees

The notes on pages 28 to 49 form part of these financial statements.

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 AUGUST 2013

	Note	2013 £
Net cash flow from operating activities	25	631,936
Returns on investments and servicing of finance	26	26,815
Capital expenditure and financial investment	26	(1,332,071)
Cash transferred to the Multi Academy Trust	28	3,024,390
INCREASE IN CASH IN THE PERIOD		2,351,070

RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE PERIOD ENDED 31 AUGUST 2013

Increase in cash in the period	2,351,070
MOVEMENT IN NET FUNDS IN THE PERIOD	2,351,070
NET FUNDS AT 31 AUGUST 2013	2,351,070

The notes on pages 28 to 49 form part of these financial statements.

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

1. ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value. The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP), 'Accounting and Reporting by Charities' published in March 2005, the Academies Accounts Direction 2013 issued by the EFA, applicable accounting standards and the Companies Act 2006.

1.2 Fund accounting

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

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

Restricted general funds comprise all other restricted funds received and include grants from Education Funding Agency.

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

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

1. ACCOUNTING POLICIES (continued)

1.3 Incoming resources

All incoming resources are included in the Statement of financial activities when the Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability. For legacies, entitlement is the earlier of the Trust being notified of an impending distribution or the legacy being received.

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

General Annual Grant is recognised in full in the year for which it is receivable and any unspent amount is reflected as a balance in the restricted general fund. Capital grants are recognised when receivable and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

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.

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

1. ACCOUNTING POLICIES (continued)

1.4 Resources expended

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

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities are costs incurred in the Trust's educational operations.

Governance costs include the costs attributable to the Trust's compliance with constitutional and statutory requirements, including audit, strategic management and trustees' meetings and reimbursed expenses.

All resources expended are inclusive of irrecoverable VAT.

1.5 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 Trust to continue as a going concern. The trustees make this assessment in respect of a period of one year from the date of approval of the financial statements.

1.6 Tangible fixed assets and depreciation

All assets costing more than £2,000 are capitalised.

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

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Vehicles, Plant and Machinery	-	5 years straight line
Furniture and Equipment	-	4 years straight line
Computer Equipment	-	3 years straight line

Freehold Property and Long Term Leasehold Property are not depreciated on the grounds of immateriality. Properties are subject to regular maintenance and repair such that in the trustees opinion the residual value is not materially different from the value in the financial statements and have a long useful economic life. The trustees consider the need for impairment at each period end.

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

1. ACCOUNTING POLICIES (continued)

1.7 Taxation

The 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 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.

1.8 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quinquennial valuations using a prospective benefit method. As stated in note 29, the TPS is a multi-employer scheme and the Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

2. VOLUNTARY INCOME

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Transfers to the Multi Academy Trust	280,464	19,317,325	19,597,789
Donations	13,802	-	13,802
	<hr/>	<hr/>	<hr/>
Voluntary income	294,266	19,317,325	19,611,591
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Hire of Facilities	19,026	-	19,026
Catering	11,600	-	11,600
Other Sales	18,990	-	18,990
	<u>49,616</u>	<u>-</u>	<u>49,616</u>

4. FUNDRAISING ACTIVITIES

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Fundraising expenses			
Fundraising expenses	3,676	-	3,676
Fundraising expenses - wages	32,213	-	32,213
	<u>35,889</u>	<u>-</u>	<u>35,889</u>
Net expenditure from fundraising activities	<u>(35,889)</u>	<u>-</u>	<u>(35,889)</u>

5. INVESTMENT INCOME

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Rental income	19,918	-	19,918
Interest on short term deposits	6,897	-	6,897
	<u>26,815</u>	<u>-</u>	<u>26,815</u>

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

6. FUNDING FOR TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
DfE/EFA Capital Grants	-	212,897	212,897
General Annual Grant (GAG)	-	15,393,007	15,393,007
Other DfE/EFA Grants	-	434,782	434,782
Other Government Grants	-	365,697	365,697
PFS Grants	-	4,595,587	4,595,587
Other Income	-	446,967	446,967
	<u>-</u>	<u>21,448,937</u>	<u>21,448,937</u>

7. EXPENDITURE BY CHARITABLE ACTIVITY

SUMMARY BY EXPENDITURE TYPE

	Staff costs 2013 £	Depreciation 2013 £	Other costs 2013 £	Total 2013 £
Trust's educational operations	<u>12,590,198</u>	<u>665,295</u>	<u>3,656,435</u>	<u>16,911,928</u>

8. GOVERNANCE COSTS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Total funds 2013 £
Auditors' remuneration	-	14,250	14,250
Trustees expenses reimbursed	-	200	200
Governance wages	-	18,060	18,060
	<u>-</u>	<u>32,510</u>	<u>32,510</u>

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

9. DIRECT COSTS

	Total 2013 £
Educational supplies	455,396
Examination fees	338,327
IT costs	47,069
Educational consultancy	158,274
Wages and salaries	8,485,320
National insurance	585,844
Pension cost	1,094,470
	<hr/>
	11,164,700
	<hr/> <hr/>

10. SUPPORT COSTS

	Total 2013 £
Pension finance cost	25,000
Maintenance of premises and equipment	1,297,040
Cleaning	50,461
Utilities	236,240
Rates	39,450
Pupil support	20,327
Office costs	125,010
Insurance	64,843
ICT costs	125,109
Security and transport	21,805
Recruitment and support	115,679
Catering	246,461
Other support costs	292,588
Bank charges	56
(Profit) / loss on disposal	(2,700)
Wages and salaries	1,968,551
National insurance	123,340
Pension cost	332,673
Depreciation	665,295
	<hr/>
	5,747,228
	<hr/> <hr/>

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

11. ANALYSIS OF RESOURCES EXPENDED BY EXPENDITURE TYPE

	Staff costs 2013 £	Other costs 2013 £	Total 2013 £
Fundraising expenses	32,213	3,676	35,889
Costs of generating funds	<u>32,213</u>	<u>3,676</u>	<u>35,889</u>
Direct costs	10,165,634	999,066	11,164,700
Support costs	2,424,564	3,322,664	5,747,228
Charitable activities	<u>12,590,198</u>	<u>4,321,730</u>	<u>16,911,928</u>
Governance	<u>18,060</u>	<u>14,450</u>	<u>32,510</u>
	<u><u>12,640,471</u></u>	<u><u>4,339,856</u></u>	<u><u>16,980,327</u></u>

12. ANALYSIS OF RESOURCES EXPENDED BY ACTIVITIES

	Activities undertaken directly 2013 £	Support costs 2013 £	Total 2013 £
Trust's educational operations	<u>11,164,700</u>	<u>5,747,228</u>	<u>16,911,928</u>

13. NET INCOMING RESOURCES

This is stated after charging/(crediting):

	2013 £
Depreciation of tangible fixed assets:	
- owned by the Trust	665,295
(Profit) / loss on disposal	<u>(2,700)</u>

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

14. AUDITORS' REMUNERATION

	2013 £
Fees payable to the Trust's auditor for the preparation and audit of the Trust's annual accounts	14,250
Fees payable to the Trust's auditor in respect of: All other non-audit services not included above	2,000
	<u>16,250</u>

15. STAFF COSTS

Staff costs were as follows:

	2013 £
Wages and salaries	10,504,144
Social security costs	709,184
Other pension costs (Note 29)	1,427,143
	<u>12,640,471</u>

The average number of persons (including the senior management team) employed by the Trust during the period expressed as full time equivalents was as follows:

	2013 No.
Teachers	237
Administrative/Support	180
Management	12
	<u>429</u>

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

	2013 No.
In the band £60,001 - £70,000	3
In the band £70,001 - £80,000	1
In the band £80,001 - £90,000	3
In the band £170,001 - £180,000	1
	<u>8</u>

Eight of the above employees participated in the Teachers' Pension Scheme and the Local Government Pension Scheme. Contributions for these members of staff amounted to £89,567.

TOLLBAR MULTI ACADEMY TRUST
(A company limited by guarantee)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

16. CENTRAL SERVICES

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

- Personnel
- Finance
- School Improvement
- ICT
- Buildings and Resource Management

The trust charges for these services on the following basis:

- Management Charges are made based on 5% of pupil-related EFA funding; and
- Service Charges are made based on time spent by the Education Welfare Officer, School Improvement Officer, Catering Manager and Extra Staffing as and when costs are incurred.

The actual amounts charged during the year were as follows:

	2013
	£
Tollbar Academy	1,078,187
Cleethorpes Academy	300,171
	<hr/>
Total	1,378,358
	<hr/> <hr/>

17. TRUSTEES' REMUNERATION AND EXPENSES

During the period retirement benefits were accruing to 1 trustee in respect of defined benefit pension schemes.

The Chief Executive and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Chief Executive and staff, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the Trust in respect of their role as trustees. The value of trustees' remuneration fell within the following bands:

	2013
	£
Mr D J Hampson OBE	175,000-180,000
Mrs J Hornby	70,000-75,000

During the period ended 31 August 2013, expenses totalling £200 were reimbursed to 1 trustee.

18. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the period ended 31 August 2013 was £1,200.

The cost of this insurance is included in the total insurance cost.

TOLLBAR MULTI ACADEMY TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

19. OTHER FINANCE INCOME

	2013 £
Expected return on pension scheme assets	168,000
Interest on pension scheme liabilities	(193,000)
	(25,000)

20. TANGIBLE FIXED ASSETS

	Freehold Property £	L/Term Leasehold Property £	Vehicles, Plant and Machinery £	Furniture and Equipment £	Computer Equipment £	Total £
Cost						
Additions	10,379,947	11,753,010	192,771	344,265	1,253,010	23,923,003
Disposals	-	-	(4,054)	(2,034)	-	(6,088)
At 31 August 2013	10,379,947	11,753,010	188,717	342,231	1,253,010	23,916,915
Depreciation						
Charge for the period	-	-	46,125	94,200	524,970	665,295
On disposals	-	-	(3,040)	(698)	-	(3,738)
At 31 August 2013	-	-	43,085	93,502	524,970	661,557
Net book value						
At 31 August 2013	10,379,947	11,753,010	145,632	248,729	728,040	23,255,358

Freehold property is stated at the valuation provided to the Trust by the EFA.

The long term leasehold property is subject to a 125 year lease from North East Lincolnshire Council and is stated at the valuation for the building element provided to the Trust by the EFA together with redevelopment costs during the period. A review for impairment will be performed on completion of the project.

21. DEBTORS

	2013 £
Other debtors	285,965
	285,965

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

22. CREDITORS:
Amounts falling due within one year

	2013 £
Other taxation and social security	238,404
Other creditors	183,357
	421,761
	421,761

23. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Unrestricted funds						
General Funds	-	370,697	(35,889)	-	-	334,808
Restricted funds						
General Annual Grant (GAG)	-	16,720,750	(14,760,609)	(841,316)	-	1,118,825
Other EFA Restricted Funds	-	434,782	(434,782)	-	-	-
Other Restricted Funds	-	869,014	(869,014)	-	-	-
Pension Reserve	-	(1,284,000)	(30,000)	-	212,000	(1,102,000)
	-	16,740,546	(16,094,405)	(841,316)	212,000	16,825
	-	16,740,546	(16,094,405)	(841,316)	212,000	16,825

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NOTES TO THE FINANCIAL STATEMENTS
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23. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

PFS Grant	-	6,035,421	(9,800)	(5,299,239)	-	726,382
Assets Acquired with PFS Grant	-	1,536,140	(103,343)	5,290,226	-	6,723,023
Capital Maintenance Grant	-	156,550	(156,550)	-	-	-
Devolved Capital Grants	-	56,347	(21,088)	-	-	35,259
Other Fixed Assets on Conversion / Acquired	-	16,241,258	(559,252)	850,329	-	16,532,335
	-	<u>24,025,716</u>	<u>(850,033)</u>	<u>841,316</u>	-	<u>24,016,999</u>
Total restricted funds	-	<u>40,766,262</u>	<u>(16,944,438)</u>	-	<u>212,000</u>	<u>24,033,824</u>
Total of funds	-	<u><u>41,136,959</u></u>	<u><u>(16,980,327)</u></u>	-	<u><u>212,000</u></u>	<u><u>24,368,632</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

23. STATEMENT OF FUNDS (continued)

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

General Funds represent those resources which may be used towards meeting any of the objects of the Trust at the discretion of the trustees. These are not currently designated for particular purposes.

General Annual Grant is made up of a number of different funding streams all of which are to be used to cover the running costs of the Trust.

Other EFA Restricted Funds represent funding received from the EFA for specific projects.

Other Restricted Funds represent all other restricted funds received which must be used for the purpose intended.

Pension Reserve represents the current deficit balance of the Local Government Pension Scheme.

PFS Grant represents the amount of funding received from PFS to be spent in future years.

Assets Acquired with PFS Grant represents the net book value of property and computer equipment purchased to date using PFS funding.

Capital Maintenance Grant represents specific funding received in respect of maintenance projects required in the period.

Devolved Capital Grants represents EFA funding received for capital projects which remains unspent at the end of the period.

Other Fixed Assets on Conversion / Acquired represents the net book value of assets acquired on conversion and during the period.

Under the funding agreement with the Secretary of State, the Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2013.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2013 were allocated as follows:

Tollbar Academy	614,963
Cleethorpes Academy	612,385
Central Services	226,285
	<hr/>
Total before fixed asset fund and pension reserve	1,453,633
Restricted fixed asset fund	24,016,999
Pension reserve	(1,102,000)
	<hr/>
Total	24,368,632
	<hr/> <hr/>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

23. 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 £	Other direct costs £	Other costs £	Total £
Tollbar Academy	6,885,968	1,093,163	673,256	2,159,024	10,811,411
Cleethorpes Academy	3,020,371	478,627	290,285	1,042,861	4,832,144
Central Costs	259,295	903,047	35,525	138,905	1,336,772
	<u>10,165,634</u>	<u>2,474,837</u>	<u>999,066</u>	<u>3,340,790</u>	<u>16,980,327</u>

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General funds	-	370,697	(35,889)	-	-	334,808
Restricted funds	-	16,740,546	(16,094,405)	(841,316)	212,000	16,825
Restricted fixed asset funds	-	24,025,716	(850,033)	841,316	-	24,016,999
	<u>-</u>	<u>41,136,959</u>	<u>(16,980,327)</u>	<u>-</u>	<u>212,000</u>	<u>24,368,632</u>

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2013 £	Restricted funds 2013 £	Restricted fixed asset funds 2013 £	Total funds 2013 £
Tangible fixed assets	-	-	23,255,358	23,255,358
Current assets	334,808	1,540,586	761,641	2,637,035
Creditors due within one year	-	(421,761)	-	(421,761)
Provisions for liabilities and charges	-	(1,102,000)	-	(1,102,000)
	<u>334,808</u>	<u>16,825</u>	<u>24,016,999</u>	<u>24,368,632</u>

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NOTES TO THE FINANCIAL STATEMENTS
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25. NET CASH FLOW FROM OPERATING ACTIVITIES

	2013 £
Net incoming resources before revaluations	24,156,632
Returns on investments and servicing of finance	(26,815)
Transfer on conversion to a Multi Academy Trust	(19,597,789)
Depreciation of tangible fixed assets	665,295
(Profit) / loss on disposal	(2,700)
Capital grants received	(4,808,484)
(Increase) / Decrease in debtors from on conversion	193,208
Increase / (Decrease) in creditors from on conversion	22,589
FRS 17 adjustments	30,000
Net cash inflow from operations	631,936

26. ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN CASH FLOW STATEMENT

	2013 £
Returns on investments and servicing of finance	
Interest received	6,897
Rental income	19,918
Net cash inflow from returns on investments and servicing of finance	26,815

	2013 £
Capital expenditure and financial investment	
Purchase of tangible fixed assets	(6,145,605)
Sale of tangible fixed assets	5,050
Capital grants received	4,808,484
Net cash outflow capital expenditure	(1,332,071)

27. ANALYSIS OF CHANGES IN NET FUNDS

	28 May 2012 £	Cash flow £	31 August 2013 £
Cash at bank and in hand:	-	2,351,070	2,351,070
Net funds	-	2,351,070	2,351,070

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

28. CONVERSION TO MULTI ACADEMY TRUST

On 1 September 2012 Tollbar Academy Trust and Cleethorpes Academy Trust converted to multi academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Tollbar Multi Academy Trust for £NIL consideration.

The transfer has been accounted for using the acquisition method. The assets and liabilities transferred were valued at their fair value and recognised in the Balance sheet under the appropriate headings with a corresponding net amount recognised in the Statement of financial activities as voluntary income.

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
- Freehold/leasehold land and buildings	-	-	16,490,029	16,490,029
- Other tangible fixed assets	-	-	1,287,369	1,287,369
Current Assets	280,464	1,726,915	1,439,834	3,447,213
LGPS pension deficit	-	(1,284,000)	-	(1,284,000)
Creditors	-	(399,172)	-	(399,172)
School fund	-	56,350	-	56,350
Net assets/(liabilities)	<u>280,464</u>	<u>100,093</u>	<u>19,217,232</u>	<u>19,597,789</u>

The above net assets include £3,024,390 transferred as cash.

29. PENSION COMMITMENTS

The 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 East Riding of Yorkshire Council. Both are defined benefit schemes.

The pension costs are assessed in accordance with the advice of independent qualified actuaries. The latest actuarial valuation of the TPS related to the period ended 31 March 2004 and of the LGPS 31 March 2010.

Contributions amounting to £183,357 were payable to the scheme at 31 August 2013 and are included within creditors.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 AUGUST 2013

29. 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). These regulations apply to teachers in schools that are maintained by local authorities and other educational establishments, including academies, in England and Wales. In addition teachers in many independent and voluntary-aided schools and teachers and lecturers in some establishments of further and higher education may be eligible for membership. Membership is automatic for full-time teachers and lecturers and from 1 January 2007 automatic too for teachers and lecturers in part-time employment following appointment or a change of contract. Teachers and lecturers are able to opt out of the TPS.

The Teachers' Pension Budgeting and Valuation Account

Although members may be employed by various bodies, their retirement and other pension benefits are set out in regulations made under the Superannuation Act (1972) and are paid by public funds provided by Parliament. 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 under arrangements governed by the above Act.

The Teachers' Pensions Regulations require an annual account, the Teachers' Pension Budgeting and Valuation Account, to be kept of receipts and expenditure (including the cost of pensions' increases). From 1 April 2001, the Account has been credited with a real rate of return, which is equivalent to assuming that the balance in the Account is invested in notional investments that produce that real rate of return.

Valuation of the Teachers' Pension Scheme

At the last valuation, the contribution rate to be paid into the TPS was assessed in two parts. First, a standard contribution rate (SCR) was determined. This is the contribution, expressed as a percentage of the salaries of teachers and lecturers in service or entering service during the period over which the contribution rate applies, which if it were paid over the entire active service of these teachers and lecturers would broadly defray the cost of benefits payable in respect of that service. Secondly, a supplementary contribution is payable if, as a result of the actuarial review, it is found that accumulated liabilities of the Account for benefits to past and present teachers, are not fully covered by standard contributions to be paid in future and by the notional fund built up from past contributions. The total contribution rate payable is the sum of the SCR and the supplementary contribution rate.

The last valuation of the TPS related to the period 1 April 2001 to 31 March 2004. The Government Actuary's report of October 2006 revealed that the total liabilities of the Scheme (pensions in payment and the estimated cost of future benefits) amounted to £166,500 million. The value of the assets (estimated future contributions together with the proceeds from the notional investments held at that valuation date) was £163,240 million. The assumed real rate of return was 3.5% in excess of prices and 2% in excess of earnings. The rate of real earnings growth was assumed to be 1.5%. The assumed gross rate of return was 6.5%. From 1 January 2007, the SCR was assessed at 19.75%, and the supplementary contribution rate was assessed to be 0.75% (to balance assets and liabilities as required by the regulations within 15 years). This resulted in a total contribution rate of 20.5%, which translated into an employee contribution rate of 6.4% and employer contribution rate of 14.1% payable.

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NOTES TO THE FINANCIAL STATEMENTS
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29. PENSION COMMITMENTS (continued)

Actuarial scheme valuations are dependent on assumptions about the value of future costs, the design of benefits and many other factors. Many of these assumptions are being considered as part of the work on the reformed TPS, as set out below. Scheme valuations therefore remain suspended. The Public Service Pensions Bill, which is being debated in the House of Commons, provides for future scheme valuations to be conducted in accordance with Treasury directions. The timing for the next valuation has still to be determined, but it is likely to be before the reformed schemes are introduced in 2015.

Teachers' Pension Scheme Changes

Lord Hutton published his final report in March 2011 and made recommendations about how pensions can be made sustainable and affordable, whilst remaining fair to the workforce and the taxpayer. The Government accepted Lord Hutton's recommendations as the basis for consultation and Ministers engaged in extensive discussions with trade unions and other representative bodies on reform of the TPS. Those discussions concluded on 9 March 2012 and the Department published a Proposed Final Agreement, setting out the design for a reformed TPS to be implemented from 1 April 2015.

The key provisions of the reformed scheme include: a pension based on career average earnings; an accrual rate of 1/57th; and a Normal Pension Age equal to State Pension Age, but with options to enable members to retire earlier or later than their Normal Pension Age. Importantly, pension benefits built up before 1 April 2015 will be fully protected.

In addition, the Proposed Final Agreement includes a Government commitment that those within 10 years of Normal Pension Age on 1 April 2012 will see no change to the age at which they can retire, and no decrease in the amount of pension they receive when they retire. There will also be further transitional protection, tapered over a three and a half year period, for people who would fall just outside of the 10 year protection.

In his interim report of October 2010, Lord Hutton recommended that short-term savings were also required, and that the only realistic way of achieving these was to increase member contributions. At the Spending Review 2010 the Government announced an average increase of 3.2 percentage points on the contribution rates by 2014-15. The increases were to be phased in from April 2012 on a 40:80:100% basis.

Under the definitions set out in Financial Reporting Standard (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Trust is unable to identify its share of the underlying assets and liabilities of the scheme. Accordingly, the Trust has taken advantage of the exemption in FRS 17 and 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 period ended 31 August 2013 was £528,000, of which employer's contributions totalled £417,000 and employees' contributions totalled £111,000. The agreed contribution rates for future years are 25.2% for employers and a maximum of 7.5% 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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NOTES TO THE FINANCIAL STATEMENTS
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29. PENSION COMMITMENTS (continued)

The Trust's share of the assets and liabilities in the scheme and the expected rates of return were:

	Expected return at 31 August 2013 %	Fair value at 31 August 2013 £
Equities	6.70	3,224,000
Bonds	3.80	419,000
Property	4.70	252,000
Cash	3.60	293,000
Total market value of assets		<u>4,188,000</u>
Present value of scheme liabilities		<u>(5,290,000)</u>
(Deficit)/surplus in the scheme		<u><u>(1,102,000)</u></u>

The amounts recognised in the Balance sheet are as follows:

	2013 £
Present value of funded obligations	(5,290,000)
Fair value of scheme assets	<u>4,188,000</u>
Net liability	<u><u>(1,102,000)</u></u>

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

	2013 £
Current service cost	(422,000)
Interest on obligation	(193,000)
Expected return on scheme assets	<u>168,000</u>
Total	<u><u>(447,000)</u></u>
Actual return on scheme assets	<u><u>494,000</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
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29. PENSION COMMITMENTS (continued)

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

	2013 £
Current service cost	422,000
Interest cost	193,000
Contributions by employees	111,000
Actuarial losses	114,000
Liabilities transferred to Multi Academy Trust	4,450,000
	5,290,000
	5,290,000

Movements in the fair value of the Trust's share of scheme assets:

	2013 £
Expected return on assets	168,000
Actuarial gains	326,000
Contributions by employer	417,000
Contributions by employees	111,000
Assets transferred to Multi Academy Trust	3,166,000
	4,188,000
	4,188,000

The cumulative amount of actuarial gains recognised in the Statement of total recognised gains and losses was £212,000.

The Trust expects to contribute £421,000 to its Defined benefit pension scheme in 2014.

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

	2013
Equities	77.00 %
Bonds	10.00 %
Property	6.00 %
Cash	7.00 %

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

	2013
Discount rate for scheme liabilities	4.60 %
Expected return on scheme assets at 31 August	6.00 %
Rate of increase in salaries	5.10 %
Rate of increase for pensions in payment / inflation	2.80 %

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NOTES TO THE FINANCIAL STATEMENTS
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29. PENSION COMMITMENTS (continued)

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

	2013
Retiring today	
Males	22.9 years
Females	25.7 years
Retiring in 20 years	
Males	24.9 years
Females	27.7 years

Amounts for the current period are as follows:

Defined benefit pension schemes

	2013
	£
Defined benefit obligation	(5,290,000)
Scheme assets	4,188,000
Deficit	(1,102,000)
Experience adjustments on scheme liabilities	(114,000)
Experience adjustments on scheme assets	326,000

30. CONTINGENT LIABILITIES

In the event of the constituent academies of the Tollbar Multi Academy Trust ceasing to operate as academies, provisions are included in the funding agreements relating to the clawback of assets and monies paid to the constituent academies.

31. RELATED PARTY TRANSACTIONS

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

Mrs E Jefferson (trustee) received £850 in relation to consultancy work she performed for the Trust during the period ending 31 August 2013.

Mrs J Aukett (trustee) received £200 from the Trust in relation to reimbursed travel expenses during the period ended 31 August 2013.