

Registered number: 07365748

TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2015

 **Bishop Fleming**
Chartered Accountants

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

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**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE MULTI ACADEMIES TRUST, ITS MEMBERS/
TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2015**

Trustees
MAT Board Dr W P Rock, Chair^{1,2}
Mr R Edwards (appointed 11 December 2014)²
Mr W George^{1,2}
Revd J Hughes (appointed 11 December 2014)²
Mr C Key, Executive Finance Officer (resigned 21 January 2015)
Mrs A J Newman^{1,2}
Mr G Pearce (appointed 11 December 2014)²
Prof J M Winterbottom^{1,2}

¹ Member

² Director of the Charitable Company

**Company registered
number** 07365748

**Principal and Registered
office** Tudor Grange Academies Trust
Dingle Lane
Solihull
West Midlands
B91 3PD

Accounting Officer Mrs C Maclean

**Trust Executive
team** Mrs C Maclean, Executive Principal
Mrs V Stone-Fewings, Executive Principal, Primaries
Mr C Key, Executive Finance Officer

**Independent external
auditors** Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Bankers Lloyds Bank PLC
2nd Floor
125 Colmore Row
Birmingham
B3 3SF

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2015**

The Trustees present their annual report together with the financial statements and auditors' report of the Company for the year ended 31 August 2015. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law.

The Trust operates 2 primary and 3 secondary academies in Solihull, Warwickshire and Worcestershire. It's academies have a combined pupil capacity of 3,935 and had a roll of 3,322 in the school census on 31 August 2015.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Multi Academies Trust is a company limited by guarantee and an exempt charity. The Company's Memorandum and Articles of Association are the primary governing documents of the Multi Academies Trust.

The Trustees of Tudor Grange Academies Trust are also the directors of the Company for the purposes of company law. The Company is known as Tudor Grange Academies Trust.

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 Company undertakes to contribute to the assets of the Company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1, for the debts and liabilities contracted before they cease to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academies Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academies Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academies Trust. The limit of this indemnity is £5,000,000.

In accordance with normal commercial practice the Academies Trust has purchased insurance to protect Trustees, Local Trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academies Trust business. The insurance provides cover up to £5,000,000 on any one claim.

Principal Activity

The principal activity is to advance, for the public benefit, education in the United Kingdom by establishing, maintaining, carrying on, managing and developing primary/secondary schools and offering a broad and balanced curriculum.

The principal activity of the Academies Trust is to provide free education for pupils of different abilities between the ages of 3 – 18.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

TRUSTEES

The MAT Board membership

The MAT Board shall comprise at a minimum: four Trustees; the total number of Trustees (including the Executive Principal and Executive Finance Officer) who are employees of the Academies Trust shall not exceed one third of the total number of Trustees. The Chair and Vice-Chair shall be appointed by the Trustees each September from among the Trustees, provided this is someone other than an employee of the Academies Trust. The MAT Board Secretary shall be appointed by the Trustees. The quorum for each MAT Board shall be two-thirds of those eligible to vote. The MAT Board shall meet as often as is necessary to fulfil its responsibilities and not less than three times in every school year. Minutes of meetings will be recorded by Secretary to the MAT Board in sufficient time for inclusion on the agenda and among the supporting papers for the next meeting of the MAT Board. Decisions may be taken only by Trustees of the MAT Board. Each question shall be determined by a majority of the votes of the Trustees present and voting on the question. Every Trustee shall have one vote. Where necessary, the Chair will have a second or casting vote.

The Local Governing Body (the LGB)

The MAT Board has established for each Academy a Local Governing Body (the LGB). Each LGB's role is to provide advice to the MAT Board in relation to the functioning of the relevant Academy.

Each LGB shall comprise at a minimum: two parents of a pupil at the relevant Academy (to be elected by the parents of registered pupils of the relevant Academy), up to two employees at the respective Academy. The establishment, terms of reference, constitution and membership of each LGB shall be reviewed annually by the MAT Board. The Chair is appointed by the MAT Board each September from among the members of the LGB, provided this is someone other than the Principal at the relevant Academy. The LGB Clerk shall be appointed by the LGB. The quorum for each LGB shall be one-third of those eligible to vote. The LGB shall meet as often as is necessary to fulfil its responsibilities and not less than once per term. Minutes of meetings will be recorded and forwarded to the Clerk to the MAT Board in sufficient time for inclusion on the agenda and among the supporting papers for the next meeting of the MAT Board. Decisions may be taken only by members of the LGB. Where necessary, the LGB Chair will have a second or casting vote.

The following areas are within the remit of the LGB: Curriculum policy; safeguarding policy; admissions procedure; ensuring local academy budgets are established and monitoring local financial performance; ensuring compliance with the Academies Trust's systems and procedures; appointments below Senior Leadership team level; monitoring and evaluation of outcomes for learners; and health and safety.

Policies and Procedures adopted for the Induction and Training of Local Governors

The Academies Trust has a Governor Recruitment, Induction and Training policy available from the Clerk to the Governors.

The training and induction provided for new Local Governors will depend upon their existing experience but would always include a tour of the Academy and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only two or three new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies. In the last year the Academies trust has offered tailored courses for Trustees and Local Governors covering the role of the Governor and understanding of student data. These course continue to be developed.

There is a Trustees' away day organised each year which includes training sessions to keep the Trustees updated on relevant developments impacting on their roles and responsibilities.

The following decisions are reserved to the MAT Board: to consider any proposals for changes to the status or constitution of the Academies Trust and its governance structure; to appoint or remove the Chairman and/or Vice Chairman; to appoint the Principal and Clerk to the Board; to approve the Annual Budget.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The Board is responsible for establishing clarity of vision and ethos; establishing strategic objectives; overseeing financial performance; adopting an annual plan and medium term budget; approving the statutory accounts; monitoring the Academies Trust by the use of budgets and other data and making major decisions about the direction of the Trust, capital expenditure and senior staff appointments.

The Board has devolved responsibility for day to day management of each Academy to each Principal and Leadership Group (LG). Each Principal is responsible for the appointment of staff, though appointment panels for teaching posts usually include a Local Governor.

The following areas are within the remit of the LGB: Curriculum policy; safeguarding policy; admissions procedure; ensuring local academy budgets are established and monitoring local financial performance; ensuring compliance with the Academies Trust's systems and procedures; appointments below Senior Leadership team level; monitoring and evaluation of outcomes for learners; and health and safety.

The Audit Committee (the AC)

The purpose of the AC is to review the risks to internal financial control at the Academies Trust and to agree a programme of work that will address these risks, to inform the statement of internal control and, so far as is possible, to provide assurance to the external auditors.

The remit of the AC is to advise the MAT Board on the adequacy and effectiveness of its systems of internal control and arrangements for risk management, control and governance processes, and securing economy, efficiency and effectiveness (value for money); review the statement of internal control and make appropriate recommendations to the MAT Board; advise on the appointment, reappointment, dismissal and remuneration of auditors; ensure effective coordination of the work of the external auditor and internal auditor; consider the reports of the auditors and, when appropriate, advise the MAT Board of material controls issues; monitor the implementation of agreed audit recommendations; ensure that any allegations of fraud or irregularity are appropriately investigated and control weaknesses addressed; meet with the external auditor and internal auditor at least once per year; report its findings annually.

The AC will consist of four members from Local Governing Bodies (LGBs) within the MAT Board. Additionally, up to two external co-opted members may also be appointed. At least one of the members should have relevant financial experience. The Chair of an LGB shall not be a member of the AC. The Chair of the AC shall be appointed by the MAT Board at the start of the academic year or as required. The Chair of the AC will not be a member of any other sub-committee. The AC will be quorate if two members are present and more than 50% of those members present are members of LGBs. The AC will normally meet at least once per term and not less than twice per year. Decisions may be taken only by Members of the AC. Each question shall be determined by a majority of the votes of the Members present and voting on the question. Every Member shall have one vote. Where necessary, the Chair will have a second or casting vote.

Organisational Structure

The Academies Trust is constituted as a Multi-Academies Trust which has a Multi-Academies Trust Board of Directors (the MAT Board) and at each Academy within the MAT, a Local Governing Body (the LGB). There are now two secondary schools, one high school and two primary schools within the Academies Trust. All schools within the Academies Trust which have been inspected in the past 18 months have achieved 'Good or better for overall effectiveness'. The founding school, Tudor Grange Academy Solihull has maintained outstanding results as the Academies Trust has grown and secured an 'outstanding judgement' in all categories during inspection in June 2015.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

The academies are as follows:

Name	Date converted	Type
Tudor Grange Academy Solihull (TGA Solihull)	1 October 2010	Secondary
Tudor Grange Primary Academy St. James' (TGPA St. James')	1 January 2013	Primary
Tudor Grange Primary Academy Haselor (TGPA Haselor)	1 January 2014	Primary
Tudor Grange Academy Redditch (TGA Redditch)	1 April 2014	High
Tudor Grange Academy Worcester (TGA Worcester)	1 September 2015	Secondary

On 1 September 2014 Tudor Grange Academy Worcester joined the Trust. All the above academies have joined the Academies Trust's current Master Funding Agreement, operating under individual Supplementary Funding Agreements.

The MAT Board

The MAT Board meets as often as is necessary and not less than three times in every Academy year. The MAT Board establishes a governance structure to achieve sufficient yet balanced oversight of leadership across the Academies Trust and determines membership, terms of reference and procedures of the LGB at each Academy. It closely monitors the activities of each LGB through minutes of their meetings. The MAT Board may from time to time establish Working Groups to perform specific tasks over a limited timetable.

Academy management

Secondary Academies:

The management structure consists of three levels: the LGB, the Leadership Team and the College Teams. The aim of the management structure is to devolve responsibility and encourage involvement in decision making at all levels. The Leadership Team comprises a Principal, Associate Principals, College Leaders and senior staff. The Leadership Team is responsible for the day to day operation of each Secondary Academy, implementing the policies laid down by the Trustees and reporting back to them. Each Secondary Academy is divided into Colleges, each led by a College Leader. These Colleges are responsible for the delivery of different curriculum areas and the pastoral welfare of students within the College.

Primary Academies:

Both Primary Academies share a similar management structure of a Principal supported by other staff within the school who have leadership responsibilities as well as their teaching commitments. The Principal is responsible for the day to day operation of their Academy, implementing the policies laid down by the Trustees and reporting back to them. Both Primary Academies have an identified SENCO and teachers responsible for the leadership and development of the following themes where applicable: early years provision, literacy, numeracy, special educational needs and disabilities and safeguarding.

Central Team:

The Academies Trust supports each academy through the Central Team, established by the Executive Principal under delegated powers. The Central Team has two functions: academy improvement and support services. The Central Team has wide-ranging responsibilities across all academies for assuring and ensuring educational improvement; it also monitors and supports the work of the Academies to ensure value for money and consistent practice, especially in areas such as procurement, IT, finance, facilities and catering.

The Executive Principal is the Accounting Officer.

Connected Organisations, including Related Party Relationships

Redditch Borough Council has use of the Tudor Grange Academy Redditch's leisure facilities and there is a shared use agreement between it and the Academy

There are no related parties which either control or significantly influence the decisions and operations of Tudor Grange Academies Trust.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

OBJECTIVES AND ACTIVITIES

Objects and Aims

The principle object and activity of the Academies Trust is the operation of Tudor Grange Academies Trust in order to provide education for pupils of different abilities between the ages of 3 and 18, to advance, for the public benefit, education in the United Kingdom, in particular by establishing, maintaining, managing and developing schools, offering a broad range of curriculum for pupils of different abilities.

The aims of each Academy during the year ended 31 August 2015 are summarised below:

- to ensure that every child enjoys the same high quality education in terms of resourcing, tuition and care;
- to raise the standard of educational achievement of all pupils;
- to fulfil the role of a Teaching School;
- to improve the effectiveness of the Academies Trust by keeping the curriculum and organisational structure under continual review and to develop greater coherence, clarity in school systems;
- to provide value for money for the funds expended;
- to maintain close links with industry and commerce; and
- to conduct the Academies Trust's business in accordance with the highest standards of integrity, probity and openness.

Equal Opportunities Policy

The Trustees recognise that equal opportunities should be an integral part of good practice within the workplace. The Academies 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.

Objectives, Strategies and Activities

Over the past five years the Academies Trust has developed a clear vision for the schools in its care. There is a distinct character within each school.

- the student is at the heart of all decision making; teaching and learning is our core business;
- every child deserves an exceptional educational experience, tailored to meet their individual needs;
- we strive for continuous improvement, blending the best of traditional with innovation; and
- we are known for our exceptionally high expectation.

The Academies Trust's main strategy is to raise standards of achievement through an unrelenting focus on continuous improvement in all aspects of the organisation. The core purpose of the Academies Trust is teaching and learning; its people and resources are constantly measured by their contribution to the overall quality of teaching and learning and therefore the standards achieved by students.

Currently, the Principals of each of the Academies attend half day Executive meetings on a fortnightly cycle, these are hosted by each of the Academies in rotation. The Executive Principal chairs the meetings and the Executive Principal, Primaries, Executive Data Manager, Executive Finance Officer and head of IT and Estates are also in attendance.

Key activities which support the main strategic purpose of the Academies Trust are:

- robust quality assurance processes which are transparent and inform all subsequent actions;
- secure use of data and tracking to measure progress and inform actions and intervention;
- constant review of CPD and training opportunities for staff;
- a structure which allows all staff and students to understand their role within the organisation and also to ensure that lines of accountability are also clear; and
- structures to support the organisation and integration of all internal and external resources and support available for both students and staff.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Key Priorities for 2015/2016 Development Plan:

- *Priority 1* - to raise levels of achievement at KS4;
- *Priority 2* - to raise levels of achievement at KS5;
- *Priority 3* - to develop a curriculum at KS1, KS2 and KS3 that fosters independence, improves levels of engagement and impacts on GCSE achievement by improving continuity of provision for students and addressing needs early;
- *Priority 4* - continued development of systems for tracking and monitoring pupil attainment; and
- *Further Priorities* - review of numeracy, literacy and ICT capability; review of staffing levels in the light of budgetary pressure; further development of the intranet to support administration and communication and development and embedding of key financial and administrative procedures arising from conversion.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Multi Academies Trust's aims and objectives and in planning its future activities.

The Academies Trust provides facilities for recreational and other leisure time occupation for the community at large in the interests of social welfare and with the interest of improving the life of the said community.

As an Academies Trust we have a duty to continue to support other schools. During the year we have worked with Samworth Enterprise Academy by providing support for leadership and management and the development of teaching and learning in a range of subject areas.

STRATEGIC REPORT

Achievements and Performance

The Academies Trust operates a robust quality assurance calendar which monitors the quality of teaching and learning in all the schools and includes book trawls, monitoring the progress of students against milestones throughout the year. All schools undertake a rigorous review of attainment using RAISEONLINE and FFTlive to measure the progress of students, paying particular regard to their achievement on entry and levels of progress secured.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Tables below summarise key performance indicators by Academy:

PRIMARIES	TGPA ST. JAMES'	TGPA HASELOR
	2015 (2014)	2015 (2014)
Numbers on Roll	156 (106)	88 (80)
Numbers on Roll Capacity	210 (210)	105 (105)
KS1 Results		
% Level 2 + Reading	N/A (N/A)	80.0 (100.0)
% Level 2 + Writing	N/A (N/A)	80.0 (100.0)
% Level 2 + Writing	N/A (N/A)	85.0 (100.0)
KS2 Results		
% Level 4 + Reading, Writing and Maths combined	81.0 (70.0)	88.0 (88.0)
% Level 4 + Reading	89.0 (83.0)	95.0 (88.0)
% Level 4 + Writing	96.0 (87.0)	95.0 (88.0)
% Level 4 + Writing	85.0 (87.0)	89.0 (88.0)
Levels of Progress		
At least 2 levels of progress in Reading	88.0 (97.0)	100.0 (88.0)
At least 2 levels of progress in Writing	100 (100)	100.0 (88.0)
At least 2 levels of progress in Maths	88.0 (86.0)	100.0 (88.0)
Attendance		
Whole School %	96.8 (96.5)	97.3% (97.3)

The primary academy TGPA St. James' has seen significant improvements in outcomes this year and has also seen a sharp increase in numbers of students wishing to attend the Academy, transforming the financial position of the Academy. TGPA St. James' has also extended its provision this year to include nursery and early years provision with great success. Some very strong appointments made in the summer of 2015 have improved provision again and we are confident of another increase in outcomes in 2016.

The primary academy TGPA Haselor has seen stability in outcomes this year with a very small cohort in year 6. Numbers of students wishing to attend the school have also increased this year, largely as a result of an OFSTED outcome of 'Good' for overall effectiveness in an inspection which pre dated the school joining the Trust. Provision continues to be good and we will support the school in continuous improvement to ensure progress which is outstanding over the coming year.

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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

SECONDARIES	TGA SOLIHULL	TGA REDDITCH	TGA WORCESTER
	2015 (2014)	2015 (2014)	2015 (2014)
Numbers on Roll	1,485 (1,438)	591 (868)	1,002 (897)
Numbers on Roll Capacity	1,500 (1,500)	1,020 (1,020)	1,100 (1,100)
GCSE Results			
% A*- A Passes	33.9 (33.0)	13.2 (15.8)	11.1 (9.0)
% gaining 5 GCSEs	99.6 (99.6)	91.1 (80.4)	90.7 (92.0)
% gaining 5 A*- C GCSEs	95.0 (96.4)	60.3 (76.7)	71.3 (52.0)
% gaining 5 A*- C GCSEs (including English and Maths)	90.0 (91.1)	55.1 (56.0)	62.0 (49.0)
Levels of Progress in Eng & Maths (KS2-4)			
At least 3 levels of progress in English	93.8 (89.0)	68.0 (68.0)	79.0 (73.0)
At least 3 levels of progress in Maths	90.4 (91.1)	75.0 (68.0)	81.0 (64.0)
A2 Results			
%A – B Passes	28.2 (56.0)	35.7 (39.3)	47.7 (0.0)
% A* - E Passes	98.3 (99.6)	95.8 (98.1)	93.8 (100.0)
Post-16 BTEC Passes			
% BTEC Passes	N/A (N/A)	100.0	100.0 (100.0)
% at Dist/Dist*	N/A (N/A)	100.0	69.1 (54.0)
Attendance			
Whole School %	96.1 (96.4)	92.7 (95.1)	94.2 (94.0)

The academy TGA Solihull was inspected by OFSTED in 2014 and was judged to be Outstanding in all areas. This report marks a sustained level of excellence matched by very few schools. The work of the TGAS Teaching School continues to support an alliance of schools outside the Academies Trust in sustaining school improvement, ensuring the impact of the Academies Trust is growing and engaged in a wide network to sustain and develop research.

The academy TGA Redditch joined the Academies Trust in April 2014 and is judged to be a 'good' school for overall effectiveness in an inspection which pre-dates joining the Academies Trust. Outcomes in 2015 saw an unexpected fall in results for the Academy but this was not as considerable as that experienced in comparable schools within the area. Close monitoring, CPD input and support in the past year has developed confidence within the Trust that outcomes will increase in 2016.

Key Performance Indicators

The main financial performance indicators are as follows: as the bulk of funding is based on pupil numbers, NOR is a key performance indicator and this is tabulated above by Academy; staffing costs as a percentage of total income which for 2015 for the Academies Trust was 73.7% (2014: 72.8%); and the level of cash held and projected to be held on a rolling 12 months basis.

Going Concern

After making appropriate enquiries, the MAT Board has a reasonable expectation that the Multi Academies 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.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

FINANCIAL REVIEW

Financial Review

Most of the Academies Trust's income is obtained from the DfE via the EFA in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2015 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

The Academies Trust also receives grants for fixed assets from the DfE and are shown in the Statement of Financial Activities as restricted income in the Fixed Asset Fund. The Restricted Fixed Asset Fund balance is reduced by annual depreciation charges over the useful life of the assets concerned, as defined in the Academies Trust's accounting policies.

During the year ended 31 August 2015, total expenditure before depreciation and impairment of £2,672,476 was £18,733,901, and was covered by recurrent grant funding from the DfE, together with other incoming resources of £19,650,620. The excess of income over expenditure before depreciation for the year, pension adjustments and balances on conversion was £55,919.

At 31 August 2015 the net book value of fixed assets was £36,000,975 (2014: £22,214,777) and movements in tangible fixed assets are shown in note 17 to the financial statements. The assets were used exclusively for providing education and the associated support services to the pupils of the Academies Trust.

Key financial policies adopted or reviewed during the year include the Academies Trust's Financial Procedures Manual which lays out the framework for financial management, including financial responsibilities of the Board of Trustees, Executive Principal, senior leaders, budget holders and other staff, as well as delegated authority for spending.

Key financial policies adopted or reviewed during the year include the Academies Trust's Financial Procedures Manual which lays out the framework for financial management, including financial responsibilities of the Board of Trustees, Executive Principal, senior leaders, budget holders and other staff, as well as delegated authority for spending.

Financial and Risk Management Objectives and Policies

The Academies Trust has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks to the Academies Trust. The register and plan are formally reviewed annually.

The Trustees have assessed the major risks to which the Academies Trust is exposed, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls described elsewhere. Where significant financial risk still remains they have ensured they have adequate insurance cover.

Risks to revenue funding from a falling roll are small, however, the freeze on the Government's overall education budget, and increasing employment and premises costs mean that budgets will be increasingly tight in coming years.

The Trustees examine the financial health formally at least every term, reviewing performance against budgets and overall expenditure by means of regular update reports at all full MAT Board meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end, the Academies Trust had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The MAT Board recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in note 28 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academies Trust is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

Reserves Policy

The Trustees review the reserve levels of the Academies Trust annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The Trustees take into consideration the future plans of each Academy, the uncertainty over future income streams and other key risks identified during the risk review.

The Trust held fund balances at 31 August 2015 of £31,830,020 comprising restricted fixed assets reserves of £36,000,975, general restricted reserves of £516,237, pension deficit of £4,833,000 and available unrestricted reserves of £145,808.

Investment Policy

Due to the nature of the funding, the Academies Trust may at times hold cash balances surplus to its short term requirements. The Academies Trust's current policy is to only invest surplus funds in risk free and short term (1 to 3 months) accessible deposit accounts. No other form of investment is authorised.

Any change in Policy requires the approval of Trustees.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the Academies Trust are as follows:

Financial - the Academies Trust has considerable reliance on continued Government funding through the EFA. In the last year 93.7% (2014: 90.3%) of the Academies Trust's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms.

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

Reputational - the continuing success of each Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk Trustees and Local Governors ensure that student success and achievement are closely monitored and reviewed.

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

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

Fraud and mismanagement of funds - the Academies Trust has appointed Internal Auditors to carry out checks on financial systems and records as required by the Academies Trust's Financial Procedures Manual. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

The Academies Trust continues to strengthen its risk management processes, in particular by increasing staff awareness of health and safety risks through Health and Safety Committees, reporting to the Local Governing Bodies. A risk register is maintained, reviewed and updated on a regular basis.

**TUDOR GRANGE ACADEMIES TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2015**

PLANS FOR FUTURE PERIODS

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

Each Academy continuously strives to be at the forefront of innovation in education and we are perpetually revising our curriculum offer to suit the needs of our students. A key focus will be the development of post 16 education in order to secure similar outcomes to KS4.

As each Academy continues to go from strength to strength, each is better able to exploit partnerships with local schools.

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academies Trust and its Trustees do not act as the custodian trustees of any other charity.


AUDITORS

In so far as the Trustees are aware:

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

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' report, incorporating a strategic report, approved by order of the MAT Board, as company directors, on 9 December 2015 and signed on the board's behalf by:


10th December 2015
Dr W P Rock
Chair of Trustees

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

As Trustees, we acknowledge we have overall responsibility for ensuring that Tudor Grange Academies 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 MAT Board has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Tudor Grange Academies Trust and the Secretary of State for Education. They are also responsible for reporting to the MAT Board 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 MAT Board has formally met 10 times during the year. The number of LGB meetings by Academy was as follows: Solihull 7, Worcester 5, Redditch 6, Haselor 7 and St. James 7 Attendance during the year at meetings of the MAT Board was as follows:

Trustee	Meetings attended	Out of a possible
Dr W P Rock, Chair	10	10
Mr R Edwards	7	7
Mr W George	7	10
Revd J Hughes	5	7
Mr C Key, Executive Finance Officer	3	4
Mrs A J Newman	8	10
Mr G Pearce	6	7
Prof J M Winterbottom	8	10

The Audit Committee is a sub-committee of the main MAT Board. Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mr R Cooper, Chairman	2	2
Mr H Foxall	2	2
Mr K Slater	0	2
Mr R Pearson	1	2
Mr C Key	2	2
Mr R Campbell-Kelly	1	2

REVIEW OF VALUE FOR MONEY

As Accounting Officer, the Principal has responsibility for ensuring that the Academy Trust delivers good value in the use of public resources. The Accounting Officer understands that value for money refers to the educational and wider societal outcomes achieved in return for the taxpayer resources received.

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

GOVERNANCE STATEMENT (continued)

- **Effective and efficient use of resources:**

Prudent approach:

The Academy takes a prudent approach to expenditure. A significant proportion of the Academy's budget is spent on staffing, the staffing structure is reviewed annually to ensure that it is fit for purpose and can adapt and respond to support the successful attainment of the objectives within the Academy.

Benchmarks:

The Trust regularly benchmarks financial performance against other Midlands-based secondary and primary academy Trusts to clarify the extent to which the respective academies are achieving value for money. This indicated we were slightly higher for property costs in 2013/14 so we negotiated down various property SLA fees, saving around 10%.

Tendering:

Tender exercises are undertaken in line with the Trust's scheme of delegation to ensure that high value contracts are assessed against the marketplace on a regular basis: in one case the range of pricing received for a new roof at one academy was from £200k to over £300k.

Collaborative purchasing:

Negotiating centrally with partners has reaped savings in the year, including:

- Insurance is purchased through an established academy buying group which it is estimated saved around 25% compared with buying outside the buying group;
- Audit and Legal are purchased centrally saving in excess of 20%, the former is now on a fixed fee basis for 3 years.

- **Maximising income generation:**

The Trust has a Lettings policy in place and explores opportunities to generate income through the hire of the site: lettings income at the Trust increased over 20% year on year to £163k principally through excellent use of meetings facilities by third parties. A proactive approach is taken towards preparing funding bids and generating revenue streams in order to maximise income generation. We have raised grants to support our central team infrastructure. Significant contributors are our Teaching School, whereby experienced staff advise and supplement resource at other schools within the Trust's alliance, and our SCITT, a school-centred facility to train teachers: income for our Teaching school and SCITT amounted to £322k in the year compared with £256k in the previous year, an increase of 26%.

- **Catering:**

In the year student meals generated income of £636k, a significant rise year on year. We believe this is due to the attractiveness of the offering in particular our focus upon nutritional meals. During 2014/15 the trust has continued to see strong growth in that we have focused on the take up of school meals provided by our in house catering teams. In collaboration with TGAT's Executive catering officer, each academy has developed highly attractive eating areas and the provision of exciting, innovative and nutritious meals. The response has been extremely positive from both students and staff alike with the academy achieving a take up of over 80% for our Senior Academies and Primary schools using the in-house catering facility.

GOVERNANCE STATEMENT (continued)

- Catering continued:

Each academy has a very strong working relationship with all suppliers both locally and nationally in which very clear expectations as to required standards are established. Each term every supplier is invited in to each school and we review pricing to ensure we are getting best value, quality and resolution to issues. This has enabled us to negotiate savings of nearly 5% across the board compared to last year. This strong relationship enables us to compare our pricing structure against that which is applied to external contract catering firms and helps us avoid some of the limitations that external contractors apply against their catering contracts in areas such as supplier selection and allowable products. This has shown that in some cases we are able to make savings of up to 40% compared to External Catering Providers.

The saving described enables us to use better quality ingredients for our services and benefits students nutritionally as well as helping to encourage pupils to try different meal options. In addition, this policy continues to motivate our catering team as they are proud of what they provide for their students and in return the staff receive many compliments which then promotes good staff retention. It is our policy to empower our staff to make business and retail decisions from their everyday working experiences and allowing the employees to 'own' their part the catering operations. FSM students report that they find the food offer helps them to concentrate better and are always among the first to suggest new ideas for menu cycles or new concepts.

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 Academies 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 Tudor Grange Academies Trust for the year 1 September 2014 to 31 August 2015 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

The Academies 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 MAT Board;
- regular reviews by the MAT Board 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 MAT Board has considered the need for a specific internal audit function and has decided to appoint W3 as internal auditor.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

GOVERNANCE STATEMENT (continued)

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academies Trust's financial systems.

On a regular basis, the internal auditor reports to the MAT Board on the operation of the systems of control and on the discharge of the MAT Board' financial responsibilities.

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academies 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 MAT Board and a plan to address weaknesses and ensure continuous improvement of the system is in place.

Approved by order of the members of the MAT Board on 9 December 2015 and signed on its behalf, by:


10th December 2015
Dr W P Rock
Chair of Trustees


9th December, 2015
Mrs C Maclean, Executive Principal
Accounting Officer

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Tudor Grange Academies Trust I have considered my responsibility to notify the Academies Trust MAT Board 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 Academies Trust and the Secretary of State. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

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 MAT Board and EFA.



**Mrs C Maclean
Executive Principal
Accounting Officer**

Date: 9 December 2015

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

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

Company law requires the Trustees to prepare financial statements for each financial year. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the 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 Company's transactions and disclose with reasonable accuracy at any time the financial position of the 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 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 Company applies financial and other controls, which conform with the requirements both of propriety and of good financial management. They are also responsible for ensuring grants received from EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the MAT Board and signed on its behalf by:


10th December 2015

**Dr W P Rock
Chair of Trustees**

Date: 9 December 2015

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TUDOR GRANGE ACADEMIES TRUST

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

This report is made solely to the charitable Multi Academies 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 Multi Academies Trust's Trustees those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable Multi Academies 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 AUDITORS

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

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

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

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

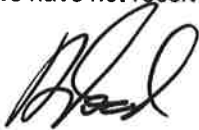
**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TUDOR GRANGE ACADEMIES 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.



Andrew Wood FCCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

1-3 College Yard

Worcester

WR1 2LB

Date:

18th December 2015.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO TUDOR
GRANGE ACADEMIES TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 19 August 2014 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2014 to 2015, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Tudor Grange Academies Trust during the year 1 September 2014 to 31 August 2015 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF TUDOR GRANGE ACADEMIES TRUST'S ACCOUNTING OFFICER
AND THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Tudor Grange Academies Trust's funding agreement with the Secretary of State for Education dated 17 March 2014, and the Academies Financial Handbook extant from 1 September 2014, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO TUDOR
GRANGE ACADEMIES 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 year 1 September 2014 to 31 August 2015 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Andrew Wood FCCA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: *18th December 2015.*

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF FINANCIAL ACTIVITIES
(incorporating income and expenditure account and statement of total recognised gains and losses)
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
INCOMING RESOURCES						
Incoming resources from generated funds:						
Surplus on joining	2	(280,366)	120,699	13,632,741	13,473,074	11,445,193
Other voluntary income	2	12,379	-	-	12,379	2,120
Activities for generating funds	3	513,498	-	-	513,498	525,673
Investment income	4	2,004	-	-	2,004	1,175
Incoming resources from charitable activities	5	710,729	17,384,210	1,027,800	19,122,739	9,820,855
TOTAL INCOMING RESOURCES		958,244	17,504,909	14,660,541	33,123,694	21,795,016
RESOURCES EXPENDED						
Charitable activities		1,404,554	17,285,312	2,672,476	21,362,342	10,345,583
Governance costs	6	-	44,035	-	44,035	35,016
TOTAL RESOURCES EXPENDED	9	1,404,554	17,329,347	2,672,476	21,406,377	10,380,599
NET INCOMING / (OUTGOING) RESOURCES BEFORE TRANSFERS						
		(446,310)	175,562	11,988,065	11,717,317	11,414,417
Transfers between Funds	20	-	(342,307)	342,307	-	-
NET INCOME FOR THE YEAR		(446,310)	(166,745)	12,330,372	11,717,317	11,414,417
Actuarial gains and (losses) on defined benefit pension schemes		-	(333,000)	-	(333,000)	(140,000)
NET MOVEMENT IN FUNDS FOR THE YEAR		(446,310)	(499,745)	12,330,372	11,384,317	11,274,417
Total funds at 1 September		592,118	(2,361,192)	22,214,777	20,445,703	9,171,286
TOTAL FUNDS AT 31 AUGUST		145,808	(2,860,937)	34,545,149	31,830,020	20,445,703

All activities relate to continuing operations.

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


The notes on pages 26 to 49 form part of these financial statements.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 07365748**

**BALANCE SHEET
AS AT 31 AUGUST 2015**

	Note	£	2015 £	£	2014 £
FIXED ASSETS					
Tangible assets	15		36,000,975		22,214,777
CURRENT ASSETS					
Stocks	16	37,455		9,205	
Debtors	17	704,984		492,920	
Cash at bank and in hand		2,045,570		1,545,243	
			2,788,009	2,047,368	
CREDITORS: amounts falling due within one year	18	(1,985,792)		(1,057,442)	
NET CURRENT ASSETS			802,217		989,926
TOTAL ASSETS LESS CURRENT LIABILITIES			36,803,192		23,204,703
CREDITORS: amounts falling due after more than one year	19		(140,172)		-
NET ASSETS EXCLUDING PENSION SCHEME LIABILITY			36,663,020		23,204,703
Defined benefit pension scheme liability	27		(4,833,000)		(2,759,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITY			31,830,020		20,445,703
FUNDS OF THE ACADEMY					
Restricted funds:					
General funds	20	516,237		397,808	
Fixed asset funds	20	36,000,975		22,214,777	
Restricted funds excluding pension liability		36,517,212		22,612,585	
Pension reserve		(4,833,000)		(2,759,000)	
Total restricted funds			31,684,212		19,853,585
Unrestricted funds	20		145,808		592,118
TOTAL FUNDS			31,830,020		20,445,703

The financial statements were approved by the Trustees, and authorised for issue, on 9 December 2015 and are signed on their behalf, by:


10th December 2015
Dr W P Rock
Chair of Trustees

The notes on pages 26 to 49 form part of these financial statements.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 AUGUST 2015**

	Note	2015 £	2014 £
Net cash flow from operating activities	22	525,001	567,278
Returns on investments and servicing of finance	23	2,004	1,175
Capital expenditure and financial investment	23	(343,862)	(181,646)
Cash transferred on joining the MAT	25	177,012	521,190
CASH INFLOW BEFORE FINANCING		360,155	907,997
Financing	23	140,172	-
INCREASE IN CASH IN THE YEAR		500,327	907,997

**RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS
FOR THE YEAR ENDED 31 AUGUST 2015**

	2015 £	2014 £
Increase in cash in the year	500,327	907,997
Cash outflow from decrease in debt and lease financing	(140,172)	-
MOVEMENT IN NET FUNDS IN THE YEAR	360,155	907,997
Net funds at 1 September 2014	1,545,243	637,246
NET FUNDS AT 31 AUGUST 2015	1,905,398	1,545,243

The notes on pages 26 to 49 form part of these financial statements.

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

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 2014 to 2015 issued by EFA, applicable accounting standards and the Companies Act 2006.

1.2 INCOMING RESOURCES

All incoming resources are included in the Statement of financial activities when the Multi Academies Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

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.

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

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

1.3 FUND ACCOUNTING

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

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

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

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

1. ACCOUNTING POLICIES (continued)

1.4 RESOURCES EXPENDED

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

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

Governance costs include the costs attributable to the Multi Academies 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 academy 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. The Trustees conclude that it is appropriate to prepare accounts on the going concern basis for the year ended 31 August 2015.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

All assets costing more than £1,000 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 Academy's depreciation policy.

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

Long term leasehold property	-	2% straight line
Fixtures and fittings	-	25% straight line
Computer equipment	-	33% straight line

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

1.7 OPERATING LEASES

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

**TUDOR GRANGE ACADEMIES TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

1. ACCOUNTING POLICIES (continued)

1.8 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

1.9 TAXATION

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Multi Academies 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 27, the TPS is a multi-employer scheme and the Multi Academies Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

The LGPS is a funded scheme and the assets are held separately from those of the Multi Academies 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.

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**NOTES TO THE FINANCIAL STATEMENTS
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1. ACCOUNTING POLICIES (continued)

1.11 ACQUISITION OF TUDOR GRANGE ACADEMY WORCESTER

On 1 September 2014 Tudor Grange Academy Worcester Trust joined the Tudor Grange Academies Trust. All the operations and assets and liabilities were transferred to Tudor Grange Academies Trust from the Tudor Grange Academy Worcester 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 as net incoming resources in the Statement of financial activities as voluntary income.

See note 25 for further details.

1.12 AGENCY ARRANGEMENTS

The Academy acts as an agent in distributing 16-19 bursary funds from EFA. Payments received from EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Academy does not have control over the charitable application of the funds. The Academy can use a percentage of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at period end are disclosed in note 26.

2. VOLUNTARY INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Surplus on joining	(280,366)	13,753,440	13,473,074	11,445,193
Donations	12,379	-	12,379	2,120
Voluntary income	<u>(267,987)</u>	<u>13,753,440</u>	<u>13,485,453</u>	<u>11,447,313</u>

3. ACTIVITIES FOR GENERATING FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Lettings	163,090	-	163,090	130,451
Fees received	11,014	-	11,014	6,935
Other	339,394	-	339,394	219,787
Recharges to Tudor Grange Academy Worcester	-	-	-	168,500
	<u>513,498</u>	<u>-</u>	<u>513,498</u>	<u>525,673</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

4. INVESTMENT INCOME

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
Bank interest	2,004	-	2,004	1,175

5. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Total funds 2015 £	Total funds 2014 £
DfE/EFA grants				
Capital Grants	-	1,027,800	1,027,800	53,466
General Annual Grant	-	16,054,897	16,054,897	8,636,146
Start up Grants	-	18,575	18,575	-
Other DfE/EFA grants	10,488	893,947	904,435	382,626
SCITT/Trainee teacher income	-	322,325	322,325	255,805
	<u>10,488</u>	<u>18,317,544</u>	<u>18,328,032</u>	<u>9,328,043</u>
Other government grants				
Higher Needs funding	-	94,466	94,466	27,740
	<u>-</u>	<u>94,466</u>	<u>94,466</u>	<u>27,740</u>
Other funding				
Internal catering income	676,088	-	676,088	438,287
Sales to students	13,925	-	13,925	6,324
Other	10,228	-	10,228	20,461
	<u>700,241</u>	<u>-</u>	<u>700,241</u>	<u>465,072</u>
	<u>710,729</u>	<u>18,412,010</u>	<u>19,122,739</u>	<u>9,820,855</u>

6. GOVERNANCE COSTS

	Total funds 2015 £	Total funds 2014 £
Auditors' remuneration	21,750	19,500
Auditors' non audit costs	5,325	5,535
Internal audit costs	10,659	7,900
Other governance costs	6,301	2,081
	<u>44,035</u>	<u>35,016</u>

TUDOR GRANGE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

7. DIRECT COSTS

	Total 2015	As restated Total 2014
Pension finance costs	82,500	61,000
Educational supplies	816,035	538,596
Examination fees	256,316	184,986
Staff development	80,453	27,140
Supply teachers	372,705	84,321
SCITT costs	62,852	182,717
Uniform costs	98,553	6,220
Wages and salaries	9,908,196	5,140,981
National insurance	768,928	425,768
Pension cost	1,489,428	780,031
Other costs	28,759	5,307
	<u>13,964,725</u>	<u>7,437,067</u>

8. SUPPORT COSTS

	Total 2015 £	As restated Total 2014 £
Pension finance costs	27,500	-
Recruitment and support	93,639	39,694
Maintenance of premises and equipment	333,557	163,835
Cleaning	142,464	42,413
Rent and rates	117,144	60,638
Energy costs	420,658	173,511
Insurance	117,718	73,721
Security and transport	42,642	53,095
Catering	636,694	379,510
Technology costs	487,610	217,876
Office overheads	153,560	45,593
Legal and professional	137,949	75,633
Bank charges	13,588	11,490
Wages and salaries	1,749,875	927,364
National insurance	74,093	42,094
Pension cost	176,450	137,762
Depreciation and impairment	2,672,476	464,287
	<u>7,397,617</u>	<u>2,908,516</u>

Depreciation has been re-analysed from Direct costs in 2014 to Support costs in 2015 to provide a more meaningful analysis. 2015 includes TGA Worcester, TGA Redditch and TGPA Haselor for a full year; 2014 only included TGA Redditch for 5 months from conversion and TGPA Haselor for 8 months from conversion.

TUDOR GRANGE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

9. RESOURCES EXPENDED

	Staff costs	Non Pay Expenditure		Total	Total
	2015 £	Premises 2015 £	Other 2015 £	2015 £	2014 £
Direct costs	12,539,257	-	1,425,468	13,964,725	7,931,075
Support costs	2,000,418	2,091,413	3,305,786	7,397,617	2,414,508
CHARITABLE ACTIVITIES	14,539,675	2,091,413	4,731,254	21,362,342	10,345,583
GOVERNANCE	-	-	44,035	44,035	35,016
	14,539,675	2,091,413	4,775,289	21,406,377	10,380,599

Included within resources expended are the following transactions. Individual transactions exceeding £5,000 are identified separately:

	Total £	Individual items above £5,000	
		Amount £	Reason
Ex-gratia/compensation payments	71,493	71,493	Staff restructuring costs (as per notes 11a and 11b)

10. NET INCOMING / (OUTGOING) RESOURCES

This is stated after charging:

	2015 £	2014 £
Depreciation of tangible fixed assets: - owned by the charity	2,672,476	464,288
Auditors' remuneration	21,750	19,500
Auditors' non audit costs	5,325	5,535

**TUDOR GRANGE ACADEMIES TRUST
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

11. STAFF

a. Staff costs

Staff costs were as follows:

	2015 £	2014 £
Wages and salaries	11,586,578	6,068,345
Social security costs	843,021	467,862
Other pension costs (Note 27)	1,665,878	917,793
	<u>14,095,477</u>	<u>7,454,000</u>
Supply teacher costs	372,705	84,321
Staff restructuring costs	71,493	-
	<u><u>14,539,675</u></u>	<u><u>7,538,321</u></u>

b. Staff severance payments

The staff restructuring costs above relate to non-statutory/non-contractual severance payments made during the year totalling £71,493 (2014: £NIL). Individually the payments were £30,000, £17,844, £15,725 and £7,924.

c. Staff numbers

The average number of persons employed by the Multi Academies Trust during the year expressed as full time equivalents was as follows:

	2015 No.	2014 No.
Administrative and Support	149	117
Teachers	232	161
Management	7	7
	<u>388</u>	<u>285</u>

d. Higher paid staff

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

	2015 No.	2014 No.
In the band £60,001 - £70,000	2	3
In the band £70,001 - £80,000	2	1
In the band £80,001 - £90,000	4	0
In the band £120,001 - £130,000	1	0
In the band £130,001 - £140,000	0	1

Employer's pensions contributions made on behalf of the above employees amounted to £91,393 (2014 £57,262)

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015**

12. CENTRAL SERVICES

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

- Human resources
- Financial services
- Legal services
- Educational support services
- Other as arising

The Academies Trust charged for these services on a fair basis as agreed between the Executive Principal and Academy Principals, being 5.5% of GAG for Secondary/High schools and 4% of GAG for Primary schools.

The actual amounts charged during the year were as follows:

	2015 £
TGA Solihull	327,516
TGPA St. James	26,688
TGA Redditch	233,664
TGPA Haselor	14,040
TGA Worcester	285,000
	<hr/>
Total	886,908
	<hr/> <hr/>

13. TRUSTEES' REMUNERATION AND EXPENSES

The Head Teacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Head Teacher and staff, and not in respect of their services as Trustees. Other Trustees did not receive any payments from the Academy in respect of their roles as Trustees. The value of trustees' remuneration and other benefits was as follows: C Maclean: remuneration £125,000 - £130,000 (2014: £NIL as a Trustee) employer's pension contributions £15,000 - £20,000 (2014: £NIL as a Trustee); C Key: remuneration £25,000 - £30,000 (2014: £65,000 - £70,000), employer's pension contributions £0 - £5,000 (2014: £5,000 - £10,000); and J A Bexon-Smith: remuneration £NIL (2014: £130,000 - £135,000), employer's pension contributions £NIL (2014: £15,000 - £20,000).

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

During the year ended 31 August 2015, expenses totalling £301 (2014: £114) were reimbursed to 1 Trustee (2014: 1).

14. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Multi Academies 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 £5,000,000 on any one claim and the cost for the year ended 31 August 2015 was £5,123 (2014: £3,079). The cost of this insurance is included in the total insurance cost.

Other related party transactions involving the trustees are set out in note 29.

TUDOR GRANGE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

15. TANGIBLE FIXED ASSETS

	Long term leasehold property £	Fixtures and fittings £	Computer equipment £	Total £
COST				
At 1 September 2014	22,773,337	190,450	284,670	23,248,457
Additions	632,395	268,535	470,732	1,371,662
Transfers intra group	14,302,999	58,457	727,111	15,088,567
Disposals	(1,587)	-	-	(1,587)
At 31 August 2015	<u>37,707,144</u>	<u>517,442</u>	<u>1,482,513</u>	<u>39,707,099</u>
DEPRECIATION				
At 1 September 2014	836,691	68,533	128,456	1,033,680
Charge for the year	762,479	103,399	350,772	1,216,650
On disposals	(32)	-	-	(32)
Impairment charge	1,455,826	-	-	1,455,826
At 31 August 2015	<u>3,054,964</u>	<u>171,932</u>	<u>479,228</u>	<u>3,706,124</u>
NET BOOK VALUE				
At 31 August 2015	<u>34,652,180</u>	<u>345,510</u>	<u>1,003,285</u>	<u>36,000,975</u>
At 31 August 2014	<u>21,936,646</u>	<u>121,917</u>	<u>156,214</u>	<u>22,214,777</u>

During the year there was a change in the basis for valuing the land and buildings at Tudor Grange Academy Redditch. At 31 August 2014 the land and buildings were valued at a percentage of insurance value, being £9,750,523, Tudor Grange Academy Redditch was valued at £8,018,000 by Mouchel on 31 March 2015. The change in value has resulted in an impairment to the land and buildings of £1,455,826.

16. STOCKS

	2015 £	2014 £
Goods for resale	<u>37,455</u>	<u>9,205</u>

17. DEBTORS

	2015 £	2014 £
Trade debtors	165,643	221,011
Other debtors	389,170	151,556
Prepayments and accrued income	150,171	120,353
	<u>704,984</u>	<u>492,920</u>

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**18. CREDITORS:
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2015 £	2014 £
Trade creditors	873,433	29,848
Other taxation and social security	252,118	168,899
Other creditors	370,854	378,841
Accruals and deferred income	489,387	479,854
	<u>1,985,792</u>	<u>1,057,442</u>

DEFERRED INCOME

Deferred income at 1 September 2014	80,108
Resources deferred during the year	70,214
Amounts released from previous years	(80,108)
Deferred income at 31 August 2015	<u>70,214</u>

**19. CREDITORS:
AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2015 £	2014 £
Other loans	<u>140,172</u>	<u>-</u>

Included within Other loans due in more than one year are interest free loans of £140,172 (2014: £NIL) which are secured on future GAG income due to be received by the Trust.

The balance represents amounts outstanding on two Salix Loans from the DfE. These are 8 year interest free loans repayable in 8 equal, annual instalments. The loans funded boiler refurbishment at TGA Solihull and TGA Redditch.

TUDOR GRANGE ACADEMIES TRUST
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2015

20. STATEMENT OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	592,118	958,244	(1,404,554)	-	-	145,808
RESTRICTED FUNDS						
	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
General Annual Grant (GAG)	352,263	16,315,486	(15,894,943)	(342,307)	-	430,499
Higher Needs funding (SEN)	-	94,466	(94,466)	-	-	-
Pupil Premium (PP)	-	647,618	(647,618)	-	-	-
Teaching School (including SCITT)	45,545	300,609	(260,416)	-	-	85,738
16 - 19 Bursary	-	40,028	(40,028)	-	-	-
Other grants	-	224,876	(224,876)	-	-	-
Pension reserve	(2,759,000)	(1,574,000)	(167,000)	-	(333,000)	(4,833,000)
	<u>(2,361,192)</u>	<u>16,049,083</u>	<u>(17,329,347)</u>	<u>(342,307)</u>	<u>(333,000)</u>	<u>(4,316,763)</u>

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

RESTRICTED FIXED ASSET FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
Fixed assets transferred on conversion	20,840,590	15,088,567	(2,496,890)	-	-	33,432,267
Fixed assets purchased from GAG and other restricted funds	750,252	-	(111,498)	342,307	-	981,061
Devolved Formula Capital (DFC)	107,564	56,789	(25,358)	-	-	138,995
School Condition Improvement and other equivalent funds (CIF)	516,371	-	(38,730)	-	-	477,641
School Condition Allocation (SCA)	-	971,011	-	-	-	971,011
	<u>22,214,777</u>	<u>16,116,367</u>	<u>(2,672,476)</u>	<u>342,307</u>	<u>-</u>	<u>36,000,975</u>
Total restricted funds	<u>19,853,585</u>	<u>32,165,450</u>	<u>(20,001,823)</u>	<u>-</u>	<u>(333,000)</u>	<u>31,684,212</u>
Total of funds	<u><u>20,445,703</u></u>	<u><u>33,123,694</u></u>	<u><u>(21,406,377)</u></u>	<u><u>-</u></u>	<u><u>(333,000)</u></u>	<u><u>31,830,020</u></u>

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

Restricted Funds:

General Annual Grant (GAG) - Income from the EFA which is to be used for the normal running costs of the Academy, including education and support costs.

Higher Needs (SEN) - Funding received from the Local Authority to fund further support for students with additional needs.

Pupil Premium (PP) - Income from the EFA which is to be used to address the current inequalities by ensuring that funding to tackle the disadvantaged reaches the pupils who need it most.

Teaching School (including SCITT) - Income which is used to fund trainee teachers that are learning in house, rather than through university.

16 - 19 Bursary - Income received from the EFA for post 16 students.

Other grants - Income which has been received for specific reasons.

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

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20. STATEMENT OF FUNDS (continued)

Fixed Asset Funds:

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

Fixed assets purchased from GAG - This represents capital assets that have been purchased out of restricted GAG funding.

Devolved Formula Capital (DFC) - This represents funding from the EFA to cover maintenance.

Conditional Improvement and other equivalent funding (CIF) - This represents funding from the EFA to cover the purchase of capital assets for the schools within the MAT, relating to energy improvement in 2015. This fund includes previous equivalent funds.

School Condition Allocation (SCA) - This represents funding from the EFA to cover the purchase of capital assets for the schools within the MAT.

Transfers between funds:

The transfer between the restricted fund and restricted fixed asset fund represents the transfer of capital expenditure from the General Annual Grant (GAG) during the year.

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

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2015 were allocated as follows:

	Total £
TGA Solihull	202,974
TGPA St. James	117,048
TGA Redditch	475,241
TGPA Haselor	(3,335)
TGA Worcester	(90,933)
TGA Trust	(38,950)
Total before fixed asset fund and pension reserve	<u>662,045</u>
Restricted fixed asset fund	36,000,975
Pension reserve	(4,833,000)
Total	<u><u>31,830,020</u></u>

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

ANALYSIS OF ACADEMIES BY COST

Expenditure incurred by each academy (excluding depreciation and pension valuation movements) during the year was as follows:

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total £
TGA Solihull	4,562,730	760,948	368,150	957,415	6,649,243
TGPA St. James	501,013	75,430	28,319	123,689	728,451
TGPA Haselor	294,440	63,418	35,978	69,372	463,208
TGA Redditch	2,785,846	595,256	246,435	798,790	4,426,327
TGA Worcester	3,610,903	566,968	391,114	773,585	5,342,570
TGA Trust	604,317	62,638	31,742	315,406	1,014,103
	<u>12,359,249</u>	<u>2,124,658</u>	<u>1,101,738</u>	<u>3,038,257</u>	<u>18,623,902</u>

SUMMARY OF FUNDS

	Brought Forward £	Incoming resources £	Resources Expended £	Transfers in/out £	Gains/(Losses) £	Carried Forward £
General funds	592,118	958,244	(1,404,554)	-	-	145,808
Restricted funds	(2,361,192)	16,049,083	(17,329,347)	(342,307)	(333,000)	(4,316,763)
Restricted fixed asset funds	22,214,777	16,116,367	(2,672,476)	342,307	-	36,000,975
	<u>20,445,703</u>	<u>33,123,694</u>	<u>(21,406,377)</u>	<u>-</u>	<u>(333,000)</u>	<u>31,830,020</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2015 £	Restricted funds 2015 £	Restricted fixed asset funds 2015 £	Total funds 2015 £	Total funds 2014 £
Tangible fixed assets	-	-	36,000,975	36,000,975	22,214,777
Current assets	145,808	2,502,029	140,172	2,788,009	2,047,368
Creditors due within one year	-	(1,985,792)	-	(1,985,792)	(1,057,442)
Creditors due in more than one year	-	-	(140,172)	(140,172)	-
Pension scheme liability	-	(4,833,000)	-	(4,833,000)	(2,759,000)
	<u>145,808</u>	<u>(4,316,763)</u>	<u>36,000,975</u>	<u>31,830,020</u>	<u>20,445,703</u>

**TUDOR GRANGE ACADEMIES TRUST
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22. NET CASH FLOW FROM OPERATING ACTIVITIES

	2015 £	2014 £
Net incoming resources before revaluations	11,717,317	11,414,417
Returns on investments and servicing of finance	(2,004)	(1,175)
Net assets transferred on joining	(13,473,074)	(11,445,193)
Impairment of tangible fixed assets	1,455,826	-
Depreciation of tangible fixed assets	1,216,650	464,287
Deficit on disposal of tangible fixed assets	1,555	-
Capital grants from DfE	(1,027,800)	(53,466)
Decrease in stocks	1,516	8,819
Increase in debtors	(99,961)	(96,738)
Increase in creditors	567,976	143,327
Defined benefit pension scheme adjustments	167,000	133,000
NET CASH INFLOW FROM OPERATIONS	525,001	567,278

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

	2015 £	2014 £
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		
Interest received	2,004	1,175
CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT		
Purchase of tangible fixed assets	(1,371,662)	(235,112)
Capital grants from DfE	1,027,800	53,466
NET CASH OUTFLOW FROM CAPITAL EXPENDITURE	(343,862)	(181,646)
FINANCING		
New secured loans	140,172	-

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24. ANALYSIS OF CHANGES IN NET FUNDS

	1 September 2014 £	Cash flow £	Other non-cash changes £	31 August 2015 £
Cash at bank and in hand:	1,545,243	500,327	-	2,045,570
DEBT:				
Debts falling due after more than one year	-	-	(140,172)	(140,172)
NET FUNDS	1,545,243	500,327	(140,172)	1,905,398

25. ACQUISITION OF TUDOR GRANGE ACADEMY WORCESTER TRUST

On 1 September 2014 Tudor Grange Academy Worcester Trust joined the Tudor Grange Academies Trust, all the operations and assets and liabilities were transferred to Tudor Grange Academies Trust from Tudor Grange Academy Worcester 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 as net incoming resources 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 £
Other tangible fixed assets	-	-	15,088,567	15,088,567
Other assets	(280,366)	238,873	-	(41,493)
LGPS pension surplus/(deficit)	-	(1,574,000)	-	(1,574,000)
Net assets/(liabilities)	(280,366)	(1,335,127)	15,088,567	13,473,074

TUDOR GRANGE ACADEMY REDDITCH

During the year the land and buildings of Tudor Grange Academy Redditch were valued by the EFA at £8,018,000. The prior year accounts showed an estimated value of £9,750,523 based on a percentage of insurance value. The reduction in valuation of £1,455,826 has been recognised in the Statement of Financial Activity and the Balance Sheet as an impairment .

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26. CAPITAL COMMITMENTS

At 31 August 2015 the Multi Academies Trust had capital commitments as follows:

	2015 £	2014 £
Contracted for but not provided in these financial statements	-	241,595

AGENCY ARRANGEMENTS

The Academy distributes 16-19 bursary funds to students as an agent for EFA. In the accounting period ended 31 August 2015 the Academy received £40,028 and disbursed £40,028 from the fund. An amount of £NIL is included in other creditors relating to undistributed funds that is repayable to EFA.

27. PENSION COMMITMENTS

The Multi Academies 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 Solihull Metropolitan Borough Council, Warwickshire County Council and Worcestershire County Council. All are defined benefit schemes.

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- during the year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.48% from September 2015

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27. PENSION COMMITMENTS (continued)

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

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

The pension costs paid to TPS in the period amounted to £1,060,878 (2014: £611,793).

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

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

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2015 was £710,000, of which employer's contributions totalled £548,000 and employees' contributions totalled £162,000. The agreed contribution rates for future years differs from Academy to Academy within the Trust, dependent on the pension scheme the Academy is in. The Academies are members of the following schemes:

West Midlands Pension Fund: TGA Solihull and TGPA St. James
Warwickshire County Council Pension Scheme: TGPA Haselor
Worcestershire County Council Pension Scheme: TGA Redditch and TGA Worcester

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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27. PENSION COMMITMENTS (continued)

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £
Equities	5.50	2,538,000	6.83	933,000
Bonds	3.67	302,000	3.03	129,000
Property	5.33	171,000	5.78	137,000
Cash	1.60	111,000	1.20	70,000
Government bonds	2.50	142,000	3.80	172,000
Other	6.50	229,000	7.00	361,000
Total market value of assets		<u>3,493,000</u>		<u>1,802,000</u>
Present value of scheme liabilities		<u>(8,326,000)</u>		<u>(4,561,000)</u>
Deficit in the scheme		<u><u>(4,833,000)</u></u>		<u><u>(2,759,000)</u></u>

Breakdown of Trust pension liability by school:

	2015 £	2014 £
TGA Solihull and TGPA St. James	(1,574,000)	(1,356,000)
TGA Redditch	(1,463,000)	(1,345,000)
TGPA Haselor	(60,000)	(58,000)
TGA Worcester	(1,736,000)	-
Total	<u><u>(4,833,000)</u></u>	<u><u>(2,759,000)</u></u>

The 2014 pension deficit with respect to TGA Worcester is set out in note 25 above.

The amounts recognised in the Balance sheet are as follows:

	2015 £	2014 £
Present value of funded obligations	(8,326,000)	(4,561,000)
Fair value of scheme assets	<u>3,493,000</u>	<u>1,802,000</u>
Net liability	<u><u>(4,833,000)</u></u>	<u><u>(2,759,000)</u></u>

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27. PENSION COMMITMENTS (continued)

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

	2015 £	2014 £
Current service cost	(595,000)	(285,000)
Interest on obligation	(293,000)	(149,000)
Expected return on scheme assets	183,000	88,000
Past service cost	-	(21,000)
Gains on curtailments and settlements	(10,000)	-
	<u>(715,000)</u>	<u>(367,000)</u>
Total	<u>(715,000)</u>	<u>(367,000)</u>
Actual return on scheme assets	<u>183,000</u>	<u>88,000</u>

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

	2015 £	2014 £
Opening defined benefit obligation	4,561,000	2,574,000
Current service cost	595,000	285,000
Interest cost	293,000	149,000
Contributions by scheme participants	162,000	86,000
Actuarial Losses	223,000	61,000
Past service costs	-	21,000
Losses on curtailments	10,000	-
Benefits paid	(45,000)	(27,000)
Liability transferred on joining	2,527,000	1,412,000
	<u>8,326,000</u>	<u>4,561,000</u>
Closing defined benefit obligation	<u>8,326,000</u>	<u>4,561,000</u>

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

	2015 £	2014 £
Opening fair value of scheme assets	1,802,000	1,298,000
Expected return on assets	183,000	88,000
Actuarial gains and (losses)	(110,000)	(79,000)
Contributions by employer	548,000	234,000
Contributions by employees	162,000	86,000
Benefits paid	(45,000)	(27,000)
Asset transferred on conversion	953,000	202,000
	<u>3,493,000</u>	<u>1,802,000</u>
	<u>3,493,000</u>	<u>1,802,000</u>

The cumulative amount of actuarial gains and losses recognised in the Statement of total recognised gains and losses was -£676,000 (2014: -£343,000).

The Multi Academies Trust expects to contribute £579,000 to its Local Government Defined benefit pension scheme in 2016.

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**NOTES TO THE FINANCIAL STATEMENTS
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27. PENSION COMMITMENTS (continued)

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

	2015	2014
Equities	72.70 %	51.80 %
Bonds	8.60 %	7.20 %
Property	4.90 %	7.60 %
Cash	3.20 %	3.90 %
Other bonds	4.10 %	9.50 %
Other	6.50 %	20.00 %

West Midlands Pension Fund (TGA Solihul and TGPA St. James)

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

	2015	2014
Discount rate for scheme liabilities	3.90 %	3.90 %
Expected return on scheme assets at 31 August	5.90 %	5.88 %
Rate of increase in salaries	4.05 %	3.85 %
Rate of increase for pensions in payment / inflation	2.30 %	2.10 %
Inflation assumption (CPI)	2.30 %	2.10 %

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

	2015	2014
Retiring today		
Males	23.0	22.9
Females	25.2	25.5
Retiring in 20 years		
Males	25.6	25.1
Females	28	27.8

Warwickshire County Council Pension Scheme (TGPA Haselor)

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

	2015	2014
Discount rate for scheme liabilities	3.80 %	3.70 %
Expected return on scheme assets at 31 August	3.80 %	5.50 %
Rate of increase in salaries	4.60 %	4.50 %
Rate of increase for pensions in payment / inflation	2.70 %	2.70 %
Inflation assumption (CPI)	2.30 %	2.70 %

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**NOTES TO THE FINANCIAL STATEMENTS
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27. 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:

	2015	2014
Retiring today		
Males	22.4	22.4
Females	24.4	24.4
Retiring in 20 years		
Males	24.3	24.3
Females	26.6	26.6

Worcester Council Council Pension Fund (TGA Redditch and TGA Worcester)

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

	2015	2014
Discount rate for scheme liabilities	4.00 %	4.00 %
Expected return on scheme assets at 31 August	5.97 %	6.42 %
Rate of increase in salaries	3.80 %	3.70 %
Rate of increase for pensions in payment / inflation	2.30 %	2.20 %
Inflation assumption (CPI)	2.30 %	2.20 %

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

	2015	2014
Retiring today		
Males	23.4	23.3
Females	25.8	25.7
Retiring in 20 years		
Males	25.6	25.5
Females	28.1	28.0

Amounts for the current and previous period are as follows:

Defined benefit pension schemes

	2015 £	2014 £
Defined benefit obligation	(8,326,000)	(4,561,000)
Scheme assets	3,493,000	1,802,000
Deficit	(4,833,000)	(2,759,000)
Experience adjustments on scheme liabilities	(223,000)	(61,000)
Experience adjustments on scheme assets	(110,000)	(79,000)

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**NOTES TO THE FINANCIAL STATEMENTS
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28. OPERATING LEASE COMMITMENTS

At 31 August 2015 the Multi Academies Trust had annual commitments under non-cancellable operating leases as follows:

	2015 £	2014 £
EXPIRY DATE:		
Within 1 year	14,158	11,839
Between 2 and 5 years	62,988	53,810
	<u>77,146</u>	<u>65,649</u>

29. RELATED PARTY TRANSACTIONS

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

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