

The Dean Trust

(A Company Limited by Guarantee)

Annual Report and Financial Statements

Year ended 31 August 2017

Company Registration Number:
08027943 (England and Wales)

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Reference and Administrative Details

Members	<p>Mr B D Rigby MBE Mr D J Palmer Mr T Kapur CBE Mr J T Shiels Mr P J Edwards</p>
Trustees	<p>B D Rigby MBE (Chairman) D J Palmer T Kapur CBE (Chief Executive Officer and Accounting Officer) J T Shiels L McQue –resigned 15.8.2017 P J Edwards * D McGann J Bowers –appointed 17.7.2017</p>
	* Trustee members of the audit committee
Executive Management Team:	
<ul style="list-style-type: none"> ▪ Chief Executive Officer ▪ Academies Director ▪ Operations Director ▪ Chief Finance Officer 	<p>T Kapur CBE B Bridden A Shakos – appointed 16.4.2017 N David</p>
Company Name Principal and Registered Office	<p>The Dean Trust Ashton on Mersey School Cecil Avenue Sale Cheshire M33 5BP</p>
Company Registration Number	08027943
Independent Auditor	<p>Hallidays Riverside House Kings Reach Business Park Yew Street Stockport SK4 2HD</p>
Bankers	<p>Lloyds Bank PLC PO Box 1000 BX1 1LT</p>
Solicitors	<p>Stone King Solicitors 13 Queen Square Bath BA1 2HJ</p> <p>Rowley Dickinson Cardinal House 20 St Mary's Parsonage Manchester M3 2LY</p>

Trustees Report

The trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year ended 31 August 2017. The annual report serves the purposes of both a trustees' report and a directors' report under company law.

The Trust currently operates 3 primary and 5 secondary academies across our 3 hubs in the North West of England. These academies have a combined pupil capacity of 5,865 pupils and had 4,714 pupils on roll as recorded in census data at May 2017. It should however be noted that the number of pupils currently on roll at Dean Trust Ardwick in relation to capacity reflects its status as a growing new free school with 2 groups of pupils in Year 7 and Year 8 only.

Structure, Governance and Management

Constitution

The Trust is a company limited by guarantee and an exempt charity. The charitable company's memorandum and articles of association are the primary governing documents of the academy trust as incorporated on 12th April 2012. The trustees of The Dean Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as The Dean Trust. The Trust plans to review and update its Articles of Association over the forthcoming year to reflect current governance and constitutional requirements

Details of the trustees who served during the year are included in the Reference and Administrative Details on page 2.

Members' Liability

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

Trustees' Indemnities

Professional indemnity insurance is in place to protect trustees, governors, and officers from claims arising from negligent acts, errors or omissions occurring on Trust business.

Method of Recruitment and Appointment or Election of Trustees

Trustees are assessed initially by invitation, dependent upon their expertise, experience and skills, prior to a process of recruitment and appointment. Trustees may appoint up to 10 trustees as referenced in the articles of association (46a) and are appointed for a term of 4 years.

Policies and Procedures Adopted for the Induction and Training of Trustees

New trustees are interviewed and selected onto the Board to maintain a robust overview and governance throughout the Trust. On all occasions, induction is provided in the workings of the Trust, including policies and procedures, together with appropriate training opportunities. Regular skills audits are undertaken to ensure a breadth and balance of expertise is available to the Board.

Organisational Structure

The trustees are responsible for setting general policy, the strategic direction and growth of the Trust, adopting an annual plan and budget, monitoring the Trust and academies by the use of financial management and other performance information, making appointments to the Executive Management team, and approving the Annual Report and Financial Statements.

The Chief Executive Officer is the accounting officer. The day to day management of the Trust is delegated to the Executive Management Team (EMT). The EMT consists of the Chief Executive Officer, Academies Director,

Operations Director and Chief Finance Officer. The EMT further delegates responsibilities to the Senior Leadership Team (SLT) of each Academy. The SLT, as appropriate to each academy, consists of the Headteacher, Deputy Headteacher and Assistant Headteachers. These managers control the Trust and academies at an executive level implementing the policies laid down by the trustees and reporting back to them. As a group the SLT is responsible for the authorisation of spending within agreed budgets and the appointment of staff. Appointment boards for posts in the EMT always contain a trustee. Some spending control is devolved to individual members of the management team within agreed limits in the Scheme of Delegation.

The management teams include the EMT, the SLT at each academy in the Trust, the curriculum area managers and business support managers. These managers are responsible for the day to day operation of the Trust and the academies, in particular organising the staff (teaching and non-teaching), facilities and students.

The trustees meet at least each term with the first meeting in each academic year being the Annual General Meeting. Local Governing bodies, governance groups and sub-committees meet on at least a termly basis. Trustees make regular visits to all academies, attending and supporting functions. The Trust's present governance structure also facilitates periodic attendance by trustees at Local Governing Body Meetings.

Responsibilities of trustees, governors, and senior managers are clearly defined in the Trust Scheme of Delegation.

Arrangements for setting pay and remuneration of key management personnel

The remuneration of the Executive Management Team, Headteachers and other Senior Leadership Team members of each academy is set in accordance with the Trust pay policy and the pay and conditions documents for teachers and leaders. The performance of all members of these teams is appraised on an annual basis. The Trust Pay Committee for the Executive Management Team and Headteachers, and the Local Governing Body Pay Committees for other academy Senior Leadership team members reviews recommendations for their pay progression and other remuneration. The Trust Pay Committee currently consists of 3 Trustees including the Chair.

Related Parties and other Connected Charities and Organisations

The Chief Executive Officer, Mr Tarun Kapur C.B.E, acts as an independent Director providing educational advice to the Board of Manchester United Foundation. Mr Kapur also acts as Chair of the FA and Premier League facilities funding panel for the Football Foundation. The Football Foundation is the UK's largest sports' charity funded by the Premier League, The Football Association and the Government, the Foundation directs £63m every year into grassroots sport. Their mission is to improve facilities, create opportunities and build communities throughout England.

The Chair of Trustees, Councillor Brian Rigby M.B.E. is a Trafford Councillor serving the Ashton upon Mersey ward in the Borough. Councillor Rigby, prior to becoming Chair of the Board, was Chair of Ashton on Mersey School Governing Body for 26 years overseeing the growth and development of the school, leading the Governors through 4 consecutive Outstanding OFSTED inspections and acting as a National Leader of Governance supporting and advising several Governing Bodies.

Mr J T Shiels is Chief Executive of Manchester United Foundation. The goal of the Foundation is to educate, motivate and inspire future generations to build better communities for all. Part of the work involves partnerships with schools to create community hubs and to deliver a range of educational programmes to primary and secondary schools.

Ms L McQue was the Chief Executive of North West Employers before stepping down in August 2017. North West Employers is a not-for-profit organisation that exists to help organisations deliver better outcomes with and for local people. They are committed to and have a proud record in working with individuals and organisations to achieve improvement.

Mr P Edwards is a director of Ashton on Mersey Teaching School Limited. (AOMTSL). AOMTSL is a wholly owned subsidiary of the Dean Trust and operates as a company limited by guarantee managing the business. The relationship is two way in that support can be commissioned by the Trust for any one of its academies and the Teaching School can commission support from any of the Trust's academies to undertake Teaching School contracts. This dynamic relationship ensures that all academies within the Trust can access high quality support whilst also benefiting from a talent pool.

The Teaching School has key performance indicators which benefit the Trust as there is a clear expectation that all members of a Teaching School alliance improve their outcomes. The onus is on the Teaching School to facilitate this, whether it be providing the necessary support, increasing expectations through sharing outstanding practice or through the development of talent management pathways.

This is mainly in relation to the activities of the Teaching School and principally involves collaborative working across a range of disciplines, primarily School to School Support, Initial Teacher Training and Professional Learning.

Objectives and Activities

Objects and Aims

The main objectives of the Trust during the year ended 31st August 2017 are summarised below. Trustees are pleased to report that all of these objectives have been achieved:

- To continue to review strategic growth opportunities that will achieve the Trust's mission and add value to the organisation
- To improve the effectiveness of the academies by keeping the curriculum and organisational structures under continuous review and to work towards the objectives for all academies to achieve "Good".
- To devise and implement an effective financial plan to address the budgetary challenges at Broadoak School.
- To successfully transition from the temporary to permanent school site for Dean Trust Ardwick and to manage the growth in numbers at the academy in relation to the PAN.
- To ensure that the interest shown by the Governors of Abraham Guest Academy, Wigan and Blacklow Brow Primary School, Knowsley to become a Dean Trust Academy is thoroughly investigated. Subject to due diligence and approval of the proposal by the Board, to provide a full program of support and transition to integrate into the Trust.
- To maintain strong governance of the Trust at all levels
- To continue to develop the Trust's support systems and infrastructure in line with further growth.
- To maintain close links with industry and commerce as well as Local Authorities and to utilise those links for the benefit of the Trust and pupils.

Objectives, Strategies and Activities

The Trust's vision is to develop and maintain a culture of excellence across our organisation that provides fantastic opportunities for the children and students in our primary and secondary academies.

The Dean Trust is an organisation that provides opportunities for staff and students alike. It embraces the local community to ensure that each Academy is at the heart. We aim for the communities in which we operate to be proud of their local Dean Trust Academy.

As we continue to grow, we are determined to remain an organisation of 'first choice'. We believe that it is important that children are able to attend an at least 'Good' local school.

The Trust's approach to this strategy includes:

- Tuition and learning opportunities for all students to attain appropriate academic qualifications
- Training and development opportunities for all staff including high quality professional learning for all Trust employees.
- A careers advisory service to help students obtain employment or move on to higher education or training.
- A wide range of enrichment opportunities including a programme of pre and after school activities.

Public Benefit

The Trust's purpose is to advance, for public benefit, education in the UK, in particular but without prejudice to the generality of the foregoing by establishing, maintaining, managing and developing the academies, offering a broad and balanced curriculum. The Trustees have complied with their duty to have due regard to the guidance on public benefit published by the Charity Commission in exercising their duties.

Strategic Report

Achievements and Performance

The public examination results at GCSE, post 16 and Key Stage 2 achieved by pupils at Dean Trust academies are summarised in the tables below (figures in brackets relate to 2016 results). The framework for qualifications and examinations have continued to influence the Trust's key academic performance statistics. Despite this, results have been pleasing overall with school record GCSE results in headline attainment achieved at Ashton on Mersey School, Lord Derby Academy and Dean Trust Wigan. The significant improvement in both Reading and Mathematics at Key Stage 2 at Forest Gate Academy is also notable. Where performance at an academy has dipped below expectations, a robust review has been undertaken and rigorous improvement plan implemented. The landscape continues to change making year on year comparability extremely difficult. The Trust has undertaken a comprehensive and thorough review of examination performance in all academies and has put steps in place to return to an upward trajectory as necessary in the forthcoming year.

Secondary Academies

The headline results are summarised as follows:

	9-4 incl. English & Maths	5+ A*-C incl. English & Maths	Key Stage 5 A Level A* - C		Key Stage 5 BTEC D*D*D*	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Ashton on Mersey School	67%	64.2%	79%	67%	44%	43%
Broadoak School	52%	65.5%	N/A	N/A	N/A	N/A
Dean Trust Ardwick	N/A	N/A	N/A	N/A	N/A	N/A
Lord Derby Academy	47.4%	39%	N/A	N/A	N/A	N/A
Dean Trust Wigan	45%	N/A	N/A	N/A	N/A	N/A

Primary Academies

The percentage of pupils achieving expected level or above at Key Stage 2 are summarised as follows:

	ENGLISH				MATHS	
	2016-17		2015-16		2016-17	2015-16
Forest Gate Academy	R 62%	W 59%	R 21%	W 61%	69%	36%
Partington Central	R 82%	W 70%	R 94%	W 88%	80%	94%
Park View Academy	R 61%	W 74%	R 94%	W 88%	66%	94%

Other notable achievements across the Trust's academies during the period include:

- Continued upward trajectory of pupil number growth at Lord Derby Academy has been maintained with admissions to year 7 in September 2017 planned to be at the PAN level of 240 pupils.
- Significant development of IT systems architecture including the transitioning to a new Trust data centre and migration to key IT services to the "cloud"

- Financial performance meeting or exceeding the challenges of the budgetary and funding climate in the education sector.
- Creation of an exciting new business opportunity by working in partnership with a reputable software developer to produce a new online training product for Mathematics teaching and pupil version to support learning in Mathematics
- Advancement of the Trust's approach to risk management by creating a robust assurance framework
- Attainment of "Good" in the first OFSTED inspection of the Ashton on Mersey School SCITT.
- Successful conversion of Partington Central Academy on 1st September 2016 and transfer of Dean Trust Wigan from its former sponsor to the Trust on 1st April 2017.
- Delivery of the new sports pavilion building at the Dean Trust Ardwick site to enhance sports facilities for both the school and community.
- Admission of a further full cohort of 240 pupils into the 3rd year group at Dean Trust Ardwick from September 2017
- Successful application for a new 1200 place secondary free school in Manchester.
- Successful renegotiation of key financial and business sponsorship with Manchester United.
- Continued positive engagement with the Trust's principal sponsors together with expansion of partnerships with major companies and organisations in the North West.

Going Concern

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

Financial Review

Most of the Trust's income is obtained from the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the ESFA in the year ended 31st August 2017 and the associated expenditure are shown as restricted funds in the Statement of Financial Activities.

The Trust also received grants from other organisations. In accordance with the Charities Statement of Recommended Practice, "Accounting and Reporting by Charities" (SORP 2015), such grants are shown in the Statement of Financial Activities as restricted income in the restricted general fund and fixed asset fund. The restricted fixed asset fund balance is reduced by depreciation charges over the expected useful life of the assets concerned.

During the year ended 31st August 2017, total expenditure of £34.0m (2016: £25.2m) was supported by recurrent grant income from the ESFA together with other incoming resources which totalled £31.3m (2016: £24.5m) exclusive of funds transferred upon conversion of Partington Central Academy and Dean Trust Wigan. The excess of expenditure over income for the period was £2.7m (2016: £0.7m). Total funds carried forward amount to £120.1m (2016: £63.4m). This level of reserves enables the Trust to plan its future growth strategy from a solid base, at the same time providing a cushion for the potentially turbulent financial climate prevailing in the short to medium term. The Trust would wish to continue to invest prudently in the growth and development of the organisation and its infrastructure.

Unrestricted income and expenditure, exclusive of funds transferred upon conversion of Partington Central Academy and Dean Trust Wigan, in the year ended 31st August 2017 amounted to £0.6m (2016: £0.7m) and £0.5m (2016: £0.6m) respectively.

At 31st August 2017 the net book value of fixed assets amounted to £122.4m (2016: £68.3m). Movement in fixed assets is shown in note 13 to the financial statements. The cost of fixed asset additions in the year ended 31st August 2017 amounted to £2.0m (2016: £1.1m).

The net liability of the Trust in the Local Government Pension Scheme (LGPS) amounts to £7.9m (2016: £8.7m) It should however be noted that an immediate liability for this amount is not crystallised at the financial year end. Parliament has agreed, at the request of the Secretary of State for Education, to a guarantee that, in the event of academy trust closure, outstanding Local Government Pension Scheme liabilities would be met by the Department for Education. The guarantee came into force on 18 July 2013. This guarantee provides comfort to the Trustees in the event of an academy trust closure.

Employees and disabled persons

The Dean Trust is an equal opportunity employer and proudly discloses this throughout its recruitment processes. The Trust welcomes applications for employment from disabled persons.

The Trust is responsive to changes to an employee's individual circumstances through becoming disabled, which includes making appropriate adjustments to working conditions. All employees of the Trust including those with disability can expect to be afforded development and career progression that befits their skills and expertise.

The Trust acknowledges the trade unions that represent all of its employees. A Joint Consultative Committee comprising of Trustees, senior leaders and employee union representatives is an established mechanism to consult employees on matters affecting their employment with the Trust.

Reserves Policy

Trustees review the level of reserves on an annual basis. This review encompasses the nature of income and expenditure streams, the need to match income with commitments (including future commitments) and the type of reserves. The Trust's current level of free reserves, represented by total reserves less the amounts held in fixed asset reserve and restricted pension fund reserve is £4.89m. (2016: £3.42m)

The Trust's medium term financial forecasts, based upon current operating models and funding methodology, indicate some financial pressures at certain academies. At present there is also some uncertainty about the impact of the new National Funding Formula on the future funding allocations for the Trust from 2018-19 and beyond.

Trustees plan to apply current free reserves balances to support in year deficits as necessary alongside robust plans to align operating costs with funding levels moving forward. The objective remains to maintain a reasonable and prudent level of reserves in the future to buffer unforeseen business interruptions, provide funds for capital investment, assist any short term cash flow pressure and support emergency requirements. This is sound commercial practice designed to safeguard the Trust's business interests and quality of education at all of its academies.

Investment Policy

Cash balances are safeguarded by investing them in interest bearing current accounts with sound commercial banks (currently Lloyds Bank PLC).

Principal Risks and Uncertainties

The principal risks to the Trust are documented and managed using a risk management policy and a risk register which is regularly reviewed.

The Trust has carried out a careful review of the risks and uncertainties it faces in the forthcoming year. In summary these are viewed as:

- Pressures on growth emanating from Government policy direction for multi academy Trusts to take on additional schools
- Reputational damage arising from a drop in standards and academic performance
- Budgetary pressures brought about by reduced public sector education spending and funding formula changes

- Impact of changes to school performance measures in terms of curriculum structures
- Downgrading of the current OFSTED report for any Dean Trust academy following inspection
- Financial challenges associated with the demographic position in Partington limiting pupil recruitment at Broadoak School
- Pay inflation resulting from national minimum wage increases in the short to medium term and proposed lift of the public sector pay cap
- Securing a suitable site for the new UKfast/Dean Trust free school in Manchester
- Challenge to stabilise the drop in pupil numbers at Dean Trust Wigan and place future intakes on upward trend towards PAN
- Erosion of reserves to balance budgets in the short to medium term
- Succession planning within Trust governance and executive leadership

Key controls in place to mitigate these risks include:

- Forensic data and annual examination performance analysis
- Annual school improvement plans at all academies of the Trust
- Robust self-evaluation procedures and careful monitoring of teaching and learning.
- An organisational structure with clearly defined roles, responsibilities and authorisation levels
- Documented terms of reference and policies for the governance of the Trust,
- Financial planning, multi-year budgeting and regular financial reporting to Governors, the Audit Committee and Board of Trustees highlighting key areas of financial risk
- Effective internal control systems that are regularly tested and monitored
- Comprehensive internal audit processes to cover business reviews and routine health checks
- Audit Committee challenge and scrutiny
- Robust due diligence procedures in place for growth of the Trust, new contracts and commissions.
- Establishment of a project team to oversee the UKfast/Dean Trust free school project working alongside Manchester City Council, ESFA and LocateEd officers

Plans for Future Periods

The Trust's plans for future periods include:

- To revisit the growth strategy in light of the changing education sector landscape particularly around free school provision, continuing to develop the excellent working relationships already enjoyed with Manchester City Council to explore opportunities in the city addressing their burgeoning growth in school place demand.
- To maintain the concentration of focus around our 3 hubs in the North West region and maximise growth opportunities therein to add value to the Trust and continue to support our mission. In this context to explore, subject to rigorous due diligence the addition of new schools into the Trust in line with the aspiration to become a medium sized regional MAT.
- To integrate Blacklow Brow School successfully into the Trust from 1st September 2017.
- To work closely with the EFSA, LocateEd and Manchester City Council to source and secure a suitable site for the new Dean Trust/UKfast secondary free school.
- To keep under review the Executive Management Team structure and composition to ensure sufficient capacity to meet growth demands and is entirely robust across the Trust.
- To manage the transition at Trust Board level from the retiring Chair of Trustees to a new Chair.
- To achieve a good outcome in the forthcoming first OFSTED inspection of Dean Trust Ardwick
- To continue the mathematics education strategic hubs initiative for the North West licence awarded to Ashton on Mersey School. To develop further "products" from Maths Hub research and innovation that can be successfully marketed by the Trust.

- To continue the improvement journey in attainment at Key stage 2 at Forest Gate Academy and Partington Central Academy. To improve the attainment and progress measures at Park View Academy.
- To further examine governance structures and operations via integration of Local Governing Bodies within Dean Trust Hubs where appropriate and beneficial. To move further towards full electronic communication and media for Governing Body and Trust Board meetings and to develop a suitable portal in order to facilitate.
- To strive for continuous improvement in examinations results and all indicators of performance in all of the Trust's academies
- To maximise the opportunities afforded by the MAT allocation of strategic capital funding to the Trust in order to improve the Trust estate across all academies.
- To continue to address the pressures on admissions at Ashton on Mersey School as a result of the disproportionate level of statutory admission of pupils with education health and care plans. To continue to lobby the Local Authority for more equitable distribution at other secondary schools in the Borough.
- To review the function of the Teaching School within Trust expansion and to consider the optimum scale of operation for the SCITT given the landscape for allocation of students.
- To maintain the trajectory of growth in pupil numbers at Lord Derby Academy
- To continue the growth in pupil numbers at Park View Academy.
- To develop a plan for growth in pupil numbers at Dean Trust Wigan.
- To continue to develop the work of the internal audit function in providing an advisory platform to inform strategies around changing business needs
- To further develop the risk management and board assurance framework as a key governance and management tool.
- To work with the RSC and Knowsley Education Commission to improve educational outcomes for all children within Knowsley schools and academies.
- To continue to update medium to long term financial forecasts to provide clarity on future financial health of the Trust particularly in the context of the new National Funding Formula
- To continue to develop robust and sustainable plans to align the operational costs of the Trust with available funding streams
- To explore and exploit business opportunities to provide additional commercial revenue stream in support of the Trust's objects.
- To further the drive for greater efficiency and economies scale as an imperative

Excellent standards of behaviour will be maintained to create well-ordered learning environments with support of students at the heart. Pupil numbers in all Dean Trust academies will be sustained or grown. Transitional arrangements for pupils entering the Trust's secondary academies will be well planned and structured, providing support for pupils at this important stage of their education. The curriculum will be broad, balanced and relevant in all key stages from EYFS to KS5 allowing all pupils and students to achieve their full potential.

Teaching and learning will have pace, purpose, variety, challenge and rigour. Pupils and students will be able to progress as a result of personalised programmes of study supported by a virtual learning environment available online. All pupils and students will be competent users of ICT, will be aware of their own strengths and weaknesses and, through assessment for learning, know how to improve their attainment and achievement.

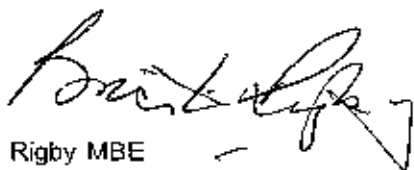
Staff will be strong and confident practitioners with appropriate professional development opportunities. Educational outcomes in all key reported performance indicators will be challenged by aspirational and robust target setting underpinned by strong governance and leadership intervention. Teaching will be at least good as evidenced by comprehensive IQTL. The strategic development of all academies in the Trust will be effectively planned, monitored and supported by well-equipped and committed local governing bodies held to account by the Board of Trustees.

Auditor

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware
- 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 auditor is aware of that information.

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees as the company directors on 18th December 2017 and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'Brian Rigby', with a stylized flourish at the end.

Brian Rigby MBE

Chair of Trustees

18th December 2017

Governance Statement

Scope of Responsibility

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

The Board of Trustees has delegated day-to-day responsibility to the Chief Executive Officer, as accounting officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and that these are in accordance with the requirements and responsibilities assigned to it in the funding agreements between The Dean Trust and the Secretary of State for Education. The Chief Executive Officer is also responsible for reporting to the Board any material weaknesses or breakdowns in internal control.

Trustees and Governors are well trained and are committed to attending training that enhances understanding of their responsibilities and legal function. This equips them with the knowledge to provide both challenge and support for the senior leadership teams at all of the academies in the Trust. The Scheme of Delegation balances the need for control with empowering Local Governing Bodies to be accountable for the performance of the academy that they govern.

Governance

The information on governance included here supplements that described in the Trustees' Report and in the Statement of Trustees' Responsibilities. The Board of Trustees formally met 5 times during the year ended 31st August 2017. Attendance during the period at these meetings was as follows (members who joined during the course of the year have their attendance reported on the basis of the maximum number of meetings that they could have attended following their appointment):

Trustee	Meetings attended	Out of a possible
Cllr B Rigby MBE	5	5
Mr T Kapur CBE	5	5
Mr J T Shields	3	5
Mr D Palmer	4	5
Ms L McQue (resigned 15.8.17)	0	5
Mr P J Edwards	4	5
Mr D McGann	3	5
Mr J Bowers (appointed 17.7.17)	1	1

The Board is supported by a Governance Support Officer who also provides advice and guidance to Local Governing Bodies. During the course of the year the size, structure and composition of the Board and the Local Governing Bodies was further reviewed in light of the continued growth of the Trust. This is an ongoing process to ensure that governance remains robust and challenging as well as creating capacity for succession. In addition, a number of new Trustees and Governors have been appointed to both the Board and to Local Governing Bodies with particular reference to skill sets that strengthen and enhance their work. This recruitment has been very successful and has followed a skills audit undertaken by the Trust's Governance Officer. An annual conference and training event has been introduced to the calendar at which all Trustees, Governors and Senior Leaders meet to review and develop the Trust's strategic plans and objectives.

The audit committee is a committee of the Board of Trustees and consists of both trustees and independent representatives. Its purpose is to support the Board in fulfilling its responsibilities with regard to the financial, business risk management and wider internal control framework of the Trust. In future financial years, meetings of the audit committee will number at least 4 as the work of the committee continues to develop.

The terms of reference of the audit committee have been further developed during the year and this provides resilience to the Board reporting mechanisms. The committee contains 3 independent members alongside a trustee.

Attendance at meetings during the year ended 31st August 2017 was as follows:

Audit Committee

	Meetings attended	Out of a possible
Mr P Edwards (Trustee)	2	4
Mr G Page	4	4
Mr M Johnson	4	4
Mrs A Chaudry (resigned 5.07.17)	3	3
Mr T Kapur (Accounting Officer)	4	4
Mr N David	4	4

Mr T Kapur and Mr N David attended these meetings in the capacity of Accounting Officer and Chief Finance Officer of the Trust respectively.

The Finance Governance Groups have met on a regular basis throughout the year. Attendance at meetings in the year ended 31st August 2017 was as follows:

Finance Governance Group- Dean Trust Central and East hubs

Governor	Meetings attended	Out of a possible
Mr A McLaren	3	3
Miss S Smith	3	3
Mrs V Thorpe	3	3
Mr P Costelloe	3	3
Mr N David	2	3
Mr D Warren (appointed 4.10.16)	3	3

Mr N David attended these meetings in the capacity of Chief Finance Officer of the Trust.

Finance Governance Group- Dean Trust West hub

Governor	Meetings attended	Out of a possible
Mrs I Tuzio	3	3
Mrs A Hearn	3	3
Mr G Morgan	2	3
Mr B Bridden	3	3
Mrs P Williamson	3	3
Mrs V Gowan	3	3
Mr H Davies (appointed 30.11.16)	2	2
Mr G Latham (appointed 30.11.16)	2	2

Mr B Bridden, Mrs V Gowan and Mrs P Williamson attended these meetings in their capacity as lead professional advisers.

Review of Value for Money

As accounting officer, the Chief Executive Officer has responsibility for ensuring that the academy trust delivers good value for money 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:

- Introduction of a "Bring Your Own Device" policy for post 16 students at Ashton on Mersey School to reduce reliance on in house portable hardware provision.
- Successful bid to the Football Foundation contributing £656,000 of funding to a new sports changing pavilion development at Dean Trust Ardwick representing 87% of overall project cost.
- Reviewing the structures within back office functions and central Trust services to streamline activities, reduce wastage and increase efficiency
- Continuing to promote the Teaching School to deliver system led improvements in a number of schools and academies in the North West region. Grow the partnership with Best Practice Network for delivery of a national leadership training and development programme.
- Successfully applying for sponsor capacity funding in support of the Trust's growth plan.
- Utilising the SCITT to provide a production line of high quality newly qualified teachers into Trust academies and the teaching profession as a whole.
- Re-tender of the Trust insurance contract for a 3 year term resulting in cost neutral premiums on improved terms across the Trust and despite the significant growth in sums insured in all risk underwriting categories.
- Re-tender of the Trust energy supply contracts to lock prices against market volatility over a 2-year term. Review of the Trust's future approach to energy efficiency, particularly for electricity, by researching options around solar power.
- Achieving the pupil number growth targets at Dean Trust Ardwick by admitting up to the PAN of 240. Supporting the school place planning challenges in Manchester by taking additional pupils into the Year 7 cohort.
- Improving measurable outcomes in all Dean Trust academies in the context of reduced funding for education.
- Continued integration of IT systems infrastructure to strengthen resilience, eliminate duplication of maintenance and support arrangements, reduce cost of on premise hardware via migration of certain IT systems to the cloud and enable efficient implementation of Trust systems and processes into new academies.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in The Dean Trust for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements.

Capacity to Handle Risk

The Board of Trustees has reviewed the key risks to which the Trust is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal on-going process for identifying, evaluating and managing the academy trust's significant risks that has been in place for the year ended 31 August 2017 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

The Risk and Control Framework

The 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:

- establishment of an effective and consistent assurance framework for all Governing Bodies
- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;

- regular reviews by the Board, audit committee and Local Governing Bodies of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- creating a consistency of approach in key systems and processes across the Trust to mitigate risk of local variance
- 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.
- internal audit reviews of business processes and risk areas.

The work of the internal audit team has been widened in scope as a result of growth in the Trust's business interests.

The internal audit plan includes performing a range of checks on the Trust's financial systems and internal controls. On a quarterly basis the internal auditor performs these checks and reports to the audit committee on the operation of systems of control and on the discharge of the Board of Trustees' financial responsibilities. The plan also includes thematic reviews of the Trust's overall business activities and functions within an agreed programme driven by an assessment of key business risks

Review of Effectiveness

As accounting officer, the Chief Executive Officer 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 Audit Committee
- the work of the internal auditor;
- the work of the external auditor;
- the financial management process;
- the work of the executive managers within the academy trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the Board of Trustees on 18th December 2017 and signed on its behalf by:



Brian Rigby MBE
Chair of Trustees



Tarun Kapur CBE
Chief Executive Officer and
Accounting Officer

Statement on Regularity, Propriety and Compliance

As accounting officer of The Dean Trust I have considered my responsibility to notify the academy trust Board of Trustees and the Education and Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with ESFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook 2016.

I confirm that I and the academy trust Board of Trustees are able to identify any material irregular or improper use of funds by the academy trust, or material non-compliance with the terms and conditions of funding under the academy trust's funding agreement and the Academies Financial Handbook 2016.

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



Tarun Kapur CBE
Accounting Officer

18th December 2017

Statement of Trustees' Responsibilities

The trustees, who are responsible for governance of The Dean Trust, are the directors of the charitable company for the purposes of company law. They are responsible for preparing the Trustees' Report and the financial statements in accordance with the Academies Accounts Direction 2016 to 2017 published by the Education and Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

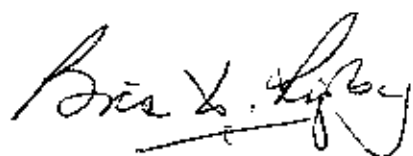
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards [FRS 102] have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the board of trustees on 18th December 2017 and signed on its behalf by:



Brian Rigby MBE
Chair of Trustees

Independent Auditor's Report on the Financial Statements to the Members of The Dean Trust

Opinion

We have audited the financial statements of The Dean Trust for the year ended 31 August 2017, which comprise the Statement of Financial Activities incorporating Income and Expenditure Account, Balance Sheet, Statement of Cash Flows, and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2017 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;
- have been prepared in accordance with the requirements of the Companies Act 2006.
- have been prepared in accordance with the Charities SORP 2015 and Academies Accounts Direction 2016 to 2017.

Basis for opinion

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

Conclusions relating to going concern

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

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

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Independent Auditor's Report on the Financial Statements to the Members The Dean Trust (continued)

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report and Trustees' Report.

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.

Responsibilities of trustees

As explained more fully in the Statement of Trustee's Report [set out on page 19], the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

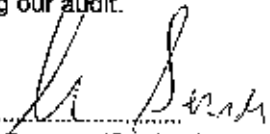
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee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

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Independent Auditor's Report on the Financial Statements to the Members of The Dean Trust (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the academy's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the academy's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the academy to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the academy to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the academy audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



.....
 Anna Bennett (Senior Statutory Auditor)
 For and on behalf of Hallidays, Statutory Auditor

Riverside House
 Kings Reach Business Park
 Yew Street
 Stockport
 SK4 2HD

Date: 18th December 2017

Independent Reporting Accountant's Assurance Report on Regularity to The Dean Trust and the Education Funding Agency

In accordance with the terms of our engagement letter and, further to the requirements of the Education and Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2016 to 2017, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by The Dean Trust during the year ended 31st August 2017 has been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of The Dean Trust's accounting officer and the reporting accountant

The accounting officer is responsible, under the requirements of The Dean Trust's master funding agreements with the Secretary of State for Education dated 25 August 2015 and the Academies Financial Handbook extant from 1 September 2016, 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 2016 to 2017. 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 ended 31st August 2017 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 2016 to 2017 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

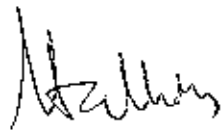
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy trust's income and expenditure. The work undertaken to draw our conclusion includes: -

- We have confirmed that the activities conform to the academy trust's framework of authorities. As identified by review of minutes, management accounts, discussion with the accounting officer and other key management personnel.
- We have carried out an analytical review as part of the consideration of whether general activities of the academy trust are within the academy trust's framework of authorities.
- We have considered the evidence supporting the accounting officer's statement on regularity, propriety and compliance and have evaluated the general control environment of the academy trust and extended the procedures required for financial statements to include regularity.

- We have assessed and tested a sample of the specific control activities over regularity of a particular activity. In performing sample testing of expenditure, we have considered whether the activity is permissible within the academy trust's framework of authorities. We confirm that each item tested has been appropriately authorised in accordance with the academy trust's delegated authorities and that the internal delegations have been approved by the governing body and conform to the limits set by the Department for Education.
- Formal representations have been obtained from the Trust Board and the accounting officer acknowledging their responsibilities including disclosing all non-compliance with laws and regulations specific to the authorising framework, access to accounting records, provision of information and explanations, and other matters where direct evidence is not available.
- In performing sample testing of expenditure, we have reviewed against specific terms of grant funding within the funding agreement. We have reviewed the list of suppliers and have considered whether supplies are from related parties and have reviewed minutes for evidence of declaration of interest, and whether or not there was involvement in the decision to order from this supplier.
- We have performed sample testing of other income and tested whether activities are permitted within the academy trust's charitable objects.

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 ended 31st August 2017 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Hallidays, Chartered Accountants
Riverside House
Kings Reach Business Park
Yew Street
Stockport
SK4 2HD

Date: 18th December 2017

Consolidated Statement of Financial Activities for the year ended 31 August 2017 (including Income and Expenditure Account)

	Note	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2017 £'000	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2016 £'000
Income and endowments from:									
Donations and capital grants	2	28	0	665	693	33	35	128	194
- Transfer from LA on conversions/academy re-brokerage	2	1,826	(704)	30,908	32,030	15	(843)	4,325	3,698
- Transfer from LA-free school land & buildings	2	0	0	23,935	23,935	0	0	0	0
Charitable activities:									
Funding for the academy trust's educational operations	3	62	28,863	1,300	29,545	60	21,940	128	23,203
Teaching School	4	19	0	0	19	383	0	0	383
Other trading activities	4	351	608	0	860	273	438	0	711
Investments	5	10	0	0	10	6	0	0	6
Total		2,424	27,988	56,808	87,220	761	21,770	5,684	28,995
Expenditure on:									
Raising Funds	6	175	0	0	175	166	0	0	166
Charitable activities:									
Academy trust educational operations	7	93	30,771	2,745	33,815	55	23,015	1,509	24,839
Teaching School	8	212	0	0	212	404	0	0	404
Total		486	30,771	2,745	34,002	626	23,015	1,509	25,209
Net incoming / (expenditure)		1,938	(2,783)	54,063	63,218	136	(1,246)	4,005	2,986
Transfers between funds	17	(522)	65	387	0	64	(288)	254	0
Taxation			0	0	0	(9)	0	0	(1)
Other recognised gains / (losses)									
Actuarial gains / (losses) on defined benefit pension schemes	17.28	0	5,447	0	3,447	0	(3,664)	0	(3,564)
Net movement in funds		1,416	819	54,450	58,685	199	(6,107)	4,329	(879)
Reconciliation of funds									
Total funds brought forward	17	2,622	(7,912)	58,688	63,398	2,423	(2,605)	64,369	63,977
Total funds carried forward		4,038	(7,093)	123,138	120,083	2,622	(7,912)	68,688	63,398

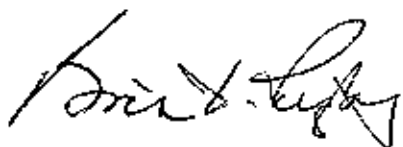
All of the academy's activities derive from continuing operations during the above two financial periods.

Consolidated Balance Sheet as at 31 August 2017

(Company Number 08027943)

	Notes	2017 £'000	2017 £'000	2016 £'000	2016 £'000
Fixed assets					
Intangible assets			0		0
Tangible assets	13		122,397		68,314
Current assets					
Stock	14	16		50	
Debtors	15	1,939		2,222	
Cash at bank and in hand		<u>7,881</u>		<u>4,329</u>	
		9,836		6,601	
Liabilities					
Creditors: Amounts falling due within one year	16a	(4,135)		(2,695)	
Net current assets			<u>5,701</u>		<u>3,906</u>
Total assets less current liabilities			<u>128,098</u>		<u>72,220</u>
Creditors: Amounts falling due after more than one year	16b		(90)		(109)
Net assets (excluding pension liability)			<u>128,008</u>		<u>72,111</u>
Defined benefit pension scheme liability	28		<u>(7,945)</u>		<u>(8,713)</u>
Total assets			<u>120,063</u>		<u>63,398</u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	17	123,118		68,688	
Restricted income fund	17	852		801	
Pension reserve	17	<u>(7,945)</u>		<u>(8,713)</u>	
Total restricted funds			<u>116,025</u>		<u>60,776</u>
Unrestricted income funds	17		<u>4,038</u>		<u>2,622</u>
Total funds			<u>120,063</u>		<u>63,398</u>

The financial statements on pages 23 to 50 were approved by the trustees, and authorised for issue on 18th December 2017 and are signed on its behalf by



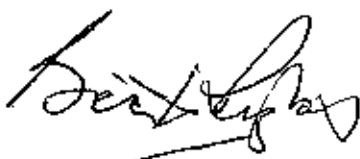
Brian Rigby
Chair of Trustees

Academy Trust Balance Sheet as at 31 August 2017

(Company Number 08027943)

	Notes	2017 £'000	2017 £'000	2016 £'000	2016 £'000
Fixed assets					
Intangible Assets			0		0
Tangible assets	13		122,397		68,314
Current assets					
Stock	14	16		50	
Debtors	15	1,940		2,280	
Cash at bank and in hand		7,859		4,226	
		<u>9,815</u>		<u>6,556</u>	
Liabilities					
Creditors: Amounts falling due within one year	16a	(4,125)		(2,679)	
Net current assets			<u>5,690</u>		<u>3,877</u>
Total assets less current liabilities			<u>128,087</u>		<u>72,191</u>
Creditors: Amounts falling due after more than one year	16b		(90)		(109)
Net assets (excluding pension liability)			<u>127,997</u>		<u>72,082</u>
Defined benefit pension scheme liability	28		(7,945)		(8,713)
Total assets			<u><u>120,052</u></u>		<u><u>63,369</u></u>
Funds of the academy trust:					
Restricted funds					
Fixed asset fund	17	123,118		68,688	
Restricted income fund	17	852		801	
Pension reserve	17	(7,945)		(8,713)	
Total restricted funds			<u>116,025</u>		<u>60,776</u>
Unrestricted income funds	17		<u>4,027</u>		<u>2,593</u>
Total funds			<u><u>120,052</u></u>		<u><u>63,369</u></u>

The financial statements on pages 23 to 50 were approved by the trustees, and authorised for issue on 18th December 2017 and are signed on its behalf by



Brian Rigby
Chair of Trustees

Statement of Cash Flows for the year ended 31 August 2017

	Notes	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by (used in) operating activities	21	919	(1,346)
Cash flows from investing activities	23	(14)	291
Cash flows from financing activities	22	2,647	(1)
Change in cash and cash equivalents in the reporting period		3,552	(1,056)
Cash and cash equivalents at 1 September 2016		4,329	5,385
Cash and cash equivalents at 31 August 2017		7,881	4,329

Notes to the Financial Statements for the year ended 31 August 2017

1. Statement of accounting policies

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

Basis of Preparation

The financial statements of the Academy Trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS102)), the Academies Accounts Direction 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

The Academy Trust meets the definition of a public benefit entity under FRS 102.

The Statement of Financial Activities (SOFA) and Balance sheet consolidate the financial statements of the academy trust and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

No separate SOFA has been presented for the academy trust alone as permitted by section 408 of the Companies Act 2006 and paragraph 397 of the SORP.

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

Income

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

- **Grants**

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

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

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

- **Sponsorship Income**

Sponsorship income provided to the academy trust which amounts to a donation is recognised in the Statement of Financial Activities in the period in which it is receivable (where there are no performance-related conditions), where the receipt is probable and it can be measured reliably.

- **Donations**

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

- **Other Income**

Other income, including the hire of facilities, is recognised in the period it is receivable and to the extent the academy trust has provided the goods or services.

- **Donated goods, facilities and services**

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

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

- **Transfer on conversion**

Where assets are received by the trust on conversion to an academy, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income.

- **Transfer of existing academies into the trust**

Where assets are received on the transfer of an existing academy into the trust, the transferred assets are measured at fair value and recognised in the balance sheet at the point when the risks and rewards of ownership pass to the trust, which is on signing of the transfer agreement with the transferring trust. An equal amount of income is recognised as transfer on conversion within donations and capital grant income.

Expenditure

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

- **Expenditure on Raising Funds**

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

- **Charitable Activities**

These are costs incurred on the academy trust's educational operations, including support staff costs relating to the governance of the academy trust apportioned to charitable activities.

All resources expended are inclusive of irrecoverable VAT.

Basis of consolidation

The financial statements consolidate the accounts of The Dean Trust and all of its subsidiary undertakings ('subsidiaries') including Ashton on Mersey Teaching School Ltd. The Academy Trust has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own income and expenditure account.

Tangible Fixed Assets

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

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance Sheet at cost and depreciated over their expected useful economic life. The related grants are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet. Depreciation on 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 trust's depreciation policy.

Depreciation is provided on all tangible fixed assets other than freehold land, at rates calculated to write off the cost of each asset on a straight-line/reducing balance basis over its expected useful life, as follows:

Leasehold land	0.8% p.a. straight-line
Buildings	2% p.a. straight-line
Plant & Machinery	20% p.a. reducing balance
Fixtures, fittings and equipment	20% p.a. reducing balance
ICT	3 - 5 years straight-line
Motor Vehicles	25% p.a. straight-line

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

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

Assets classified as land and buildings are revalued every 5 years.

Liabilities

Liabilities are recognised when there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy trust anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods of services it must provide.

Provisions

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

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

Leased Assets

Rentals under operating leases are charged on a straight line basis over the lease term.

Investments

The trust's shareholding in the wholly owned subsidiary, Ashton on Mersey Teaching School Limited, is included in the balance sheet at the cost of the share capital owned less any impairment. There is no readily available market value and the cost of valuation exceeds the benefit derived.

Financial instruments

The academy trust only holds basic financial instruments defined in FRS102. The financial assets and financial liabilities of the academy trust and their measurement basis are as follows:

Financial assets – trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the charity's wholly owned subsidiary are held at face value less any impairment.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

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

Stock

Uniforms and stationery stocks are valued at the lower of cost or net realisable value.

Taxation

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

Pensions Benefits

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes and the assets are held separately from those of the academy trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary

on the basis of quinquennial valuations using a prospective unit credit method. As stated in Note 28, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

Fund Accounting

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

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

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

Critical accounting estimates and areas of judgement

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

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 28, will impact the carrying amount of the pensions liability. Furthermore, a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31st August 2017. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

2. Donations and Capital Grants

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2017 £'000	Total 2016 £'000
Capital Grants	0	0	656	656	144
Fixed assets inherited upon transfer/conversion	0	0	54,843	54,843	4,325
Reserves inherited upon transfer/conversion	1,826	(704)	0	1,122	(627)
Donations	26	0	9	35	50
	1,852	(704)	55,508	56,656	3,892

3. Funding for the Academy Trust's Educational Operations

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2017 £'000	Total 2016 £'000
DfE / ESFA grants					
- General Annual Grant (GAG)	0	23,516	0	23,516	17,754
- Start up Grants	0	0	0	0	78
- Other DfE / EFA Grants	0	3,332	1,289	4,621	2,721
National College grants	62	0	0	62	49
	62	26,848	1,289	28,199	20,602
Other Government grants					
- Local Authority grants	0	1,242	11	1,253	2,465
- Special educational projects	0	0	0	0	0
	0	1,242	11	1,253	2,465
Other Income from the academy trust's educational operations					
	0	93	0	93	136
	0	93	0	93	136
	62	28,183	1,300	29,545	23,203

4. Other Trading Activities

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2017 £'000	Total 2016 £'000
Hire of facilities	8	0	0	8	21
Catering income	68	0	0	68	34
Other income	424	509	0	933	1,039
	500	509	0	1,009	1,094

5. Investment Income

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2017 £'000	Total 2016 £'000
Short term deposits	10	0	0	10	6
	10	0	0	10	6

6. Expenditure

	Staff Costs £'000	Non Pay Premises £'000	Expenditure Other £'000	Total 2017 £'000	Total 2016 £'000
Expenditure on raising funds	79	49	47	175	166
Academy's educational operations:					
- Direct costs	18,160	2,460	2,657	23,277	17,303
- Allocated support costs	4,426	722	5,190	10,338	7,336
Teaching School	91	46	75	212	404
	22,756	3,277	7,969	34,002	25,209

Net income / expenditure for the year includes:

	2017 £'000	2016 £'000
Operating leases:		
- Plant & Machinery	0	0
- Other Leases	372	335
Depreciation	2,745	1,569
Loss on disposal of fixed assets	0	0
Fees payable to auditor for:		
- Audit	16	19
- Other services	3	8
	3,136	1,931

7. Charitable Activities

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2017 £'000	Total 2016 £'000
Direct costs - educational operations	26	20,853	2,460	23,339	17,303
Support costs - educational operations	74	9,918	284	10,276	7,336
	100	30,771	2,744	33,615	24,639
Support costs - educational operations					
Support staff costs	0	4,426	0	4,426	3,020
Depreciation	0	0	284	284	101
Loss on disposal of fixed assets	0	0	0	0	0
Technology costs	0	297	0	297	235
Recruitment and support	0	129	0	129	86
Maintenance of premises and equipment	0	986	0	986	497
Cleaning	0	599	0	599	463
Rent & rates	0	248	0	248	226
Operating leases	0	0	0	0	335
Water	0	236	0	236	192
Energy costs	0	510	0	510	388
Insurance	0	152	0	152	146
Security	0	100	0	100	49
Transport	0	93	0	93	106
Catering	70	757	0	827	598
Bank interest and charges	0	1	0	1	1
Office overheads	1	503	0	504	235
Other support costs	3	777	0	780	569
Governance costs	0	104	0	104	89
	74	9,918	284	10,276	7,336

8. Staff Costs

	Total 2017 £'000	Total 2016 £'000
Staff costs during the year were:		
Wages and salaries	16,493	12,792
Social security costs	1,606	1,086
Operating costs of defined benefit pension schemes	3,741	2,014
	<u>21,840</u>	<u>15,892</u>
Supply staff costs	559	198
Staff restructuring costs	358	37
	<u>22,757</u>	<u>16,127</u>
Staff restructuring costs comprise:		
Redundancy payments	117	32
Severance payments	109	5
Other restructuring costs	132	0
	<u>358</u>	<u>37</u>

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £108,500 (2016: £36,521). Individually, the payments were for £34,000, £18,350, £16,826, £10,177, £9,000, £8,122, £7,100, and £4,926 (2016: £32,021 and £4,500).

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

	2017	2016
Charitable activities		
Teachers	249	194
Administration and support	308	238
Management	29	26
	<u>586</u>	<u>458</u>

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

	No.	No.
£60,001 - £70,000	10	3
£70,001 - £80,000	2	1
£80,001 - £90,000	1	2
£90,001 - £100,000	2	0
£100,001 - £110,000	1	2
£110,001 - £120,000	0	0
£120,001 - £130,000	2	0
£130,001 - £140,000	0	0
£140,001 - £150,000	0	0
£150,001 - £160,000	0	0
£160,001 - £170,000	0	0
£170,001 - £180,000	1	1

18 (2016: 8) of the above employees participated in the Teachers' Pension Scheme. During the year ended 31st August 2017, employer pension contributions for these staff amounted to £172,950 (2016: £90,706). The other employee participated in the Local Government Pension Scheme for which employer pension contributions amounted to £16,576 (2016: £17,013).

The key management personnel of the academy trust comprise the trustees and the executive management team as listed on page 2. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £488,843 (2016: £415,779).

9. Central Services

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

- Governance
- Leadership support
- Financial management
- IT management
- Estates management
- HR/Payroll
- Marketing support
- Procurement management
- Group purchasing services
- Health and safety advisory services
- Training and CPD
- School improvement services

The Trust policy in charging for central services is to employ a flat percentage of 5% of total income excluding pupil premium, high needs funding, and other specific grants or income relating to certain areas of individual academy business e.g. sponsorship or fundraising of an individual academy. The actual amounts charged during the year ended 31 August 2017 were as follows:

	Total 2017 £'000	Total 2016 £'000
Ashton on Mersey School	366	375
Broad oak School	129	128
Forest Gate Academy	64	60
Dean Trust Ardwick	125	0
Partington Central Academy	88	0
Lord Derby Academy	213	207
Park View Academy	0	0
Dean Trust Wigan	98	0
	1,083	770

10. Net income from trading activities of subsidiary company

Ashton on Mersey Teaching School Limited, a company incorporated in England and Wales with an allotted, called up and fully paid Ordinary share capital (£1 shares), is a wholly owned subsidiary of The Dean Trust. The company has been consolidated into the Trust financial statements. The business activities of Ashton on Mersey Teaching School Limited and its relationship with the Dean Trust is described on pages 4 and 5 of the Trustees report.

	2017 £'000	2016 £'000
Turnover	209	418
Other operating charges	(227)	(412)
Inter group transactions	0	0
Net profit	(18)	6
Tax on profits	0	(1)
Transfer to reserves	(18)	5

11. Related Party Transactions – Trustees' remuneration & expenses

One trustee has been paid remuneration or has received other benefits from an employment with the academy trust. The Chief Executive and Group Academy Principal and other staff trustees only receive remuneration in respect of services they provide undertaking the roles of Chief Executive and Group Academy Principal and staff under their contracts of employment, and not in respect of their services as trustees. Other trustees did not receive any payments, other than expenses, from the academy trust in respect of their role as trustees. The value of trustees' remuneration and other benefits was as follows:

T Kapur (Chief Executive and Group Academy Principal and Trustee):	
Remuneration	£170,001 - £175,000 (2016: £170,001 - £175,000)
Employer pension contributions	£0 (2016: £0)

During the period ended 31 August 2017, travel and subsistence expenses totalling £1,263 (2016: £1,532) were reimbursed to 2 trustees (2016: 3 trustees), in accordance with the Trust's policy.

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

12. Trustees' and Officers' Insurance

In accordance with normal commercial practice, the Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £4,000,000 on any one claim and the cost for the year ended 31 August 2017 amounted to £1,612 (2016: £4,770). The cost of this insurance is included in the total insurance cost.

13. Tangible Fixed Assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Plant, furniture and equipment £'000	Computer equipment £'000	Motor vehicles £'000	Total 2017 £'000
Cost						
At 1 September 2016	40,234	29,665	2,484	931	7	73,321
Asset reclassification	0	(76)	76	0	0	0
Transferred on conversion	0	7,250	0	0	0	7,250
Academy transfer	25,487	0	713	530	31	26,761
Donated asset	0	23,935	0	0	0	23,935
Additions	751	286	589	363	0	1,989
Disposals	0	0	(10)	0	0	(10)
As at 31 August 2017	66,472	61,060	3,852	1,824	38	133,246
Depreciation						
At 1 September 2016	2,766	1,369	680	206	6	5,007
Asset reclassification	0	0	0	0	0	0
Academy transfer	2,272	0	327	474	31	3,104
Charged in year	826	1,169	446	302	1	2,744
Disposals	0	0	(6)	0	0	(6)
As at 31 August 2017	5,864	2,538	1,427	982	38	10,849
Net book values						
As at 31 August 2017	60,608	58,522	2,425	842	0	122,397

The donated asset represents the value of land and buildings at Dean Trust Ardwick following occupancy of the new free school site and building in September 2016. The terms of the development agreement between

Manchester City Council and The Dean Trust state that a lease from Manchester City Council to the Dean Trust will be granted upon issue of the making good of defects certificate for the building. The certificate had not been issued at the balance sheet date. The land and buildings are however reflected in the balance sheets at their net book value to reflect the Trust's effective leasehold interest as the economic substance of this event rather than its legal form.

14. Stock

	Group		Academy Trust	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Uniform	0	0	0	0
Stationery	16	50	16	50
	<u>16</u>	<u>50</u>	<u>16</u>	<u>50</u>

15. Debtors

	Group		Academy Trust	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Trade debtors	145	78	128	47
Amounts owed by group undertakings	0	0	21	69
Accrued income	736	1,564	736	1,564
VAT recoverable	507	257	507	277
Other debtors	14	5	14	5
Prepayments	537	318	534	318
	<u>1,939</u>	<u>2,222</u>	<u>1,940</u>	<u>2,280</u>

16. Creditors

a) Amounts falling due within one year

	Group		Academy Trust	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
Trade creditors	1,329	589	1,326	589
Taxation and social security	441	371	441	370
Other creditors	383	298	383	298
Other creditors - SALIX Loan	18	18	18	18
Accruals and deferred income	1,964	1,419	1,957	1,404
	<u>4,135</u>	<u>2,695</u>	<u>4,125</u>	<u>2,679</u>

	Group		Academy Trust	
	2017 £	2016 £	2017 £	2016 £
Deferred income				
Deferred income at 1 September	603	895	633	895
Resources deferred in the year	1,102	603	1,101	633
Amounts released from previous years	(603)	(895)	(633)	(895)
Deferred income at 31 August	<u>1,102</u>	<u>603</u>	<u>1,101</u>	<u>633</u>

At the balance sheet date, the Trust was holding funds received in advance for NCTL collaborative funding, ESFA funding, Local Authority funding, and advance receipts for school trips.

b) Amounts falling due after more than one year

	Group		Academy Trust	
	2017 £'000	2016 £'000	2017 £'000	2016 £'000
SALIX Loan	90	109	90	109
	<u>90</u>	<u>109</u>	<u>90</u>	<u>109</u>

The Trust received £144,704 of SALIX funding relating to capital projects in the year ended 31st August 2016. SALIX funding is an interest free loan approved by the Education and Skills Funding Agency (ESFA) and is repayable in equal instalments over 8 years. The repayments due on the 1st September 2017 and 1st March 2018 are included in other creditors in note 16a.

Due in less than one year	18	18	18	18
Due in more than one year but less than two	18	18	18	18
Due in two to five years	55	55	55	55
Due in more than five years	17	36	17	36
	<u>108</u>	<u>127</u>	<u>108</u>	<u>127</u>

17. Funds

	Balance at 1 September 2016 £'000	Incoming resources £'000	Resources expended £'000	Gains, losses and transfers £'000	Balance at 31 August 2017 £'000
Restricted general funds					
General annual grant (GAG)	801	23,516	(24,459)	155	13
Start up grant	0	0	0	0	0
Pupil Premium	0	2,075	(2,075)	0	0
Other DfE/ESFA grants	0	3,101	(3,101)	0	0
Other	0	0	0	0	0
Inherited on transfer/conversion	0	839	0	0	839
Pension reserve	(8,713)	(1,543)	(1,136)	3,447	(7,945)
	<u>(7,912)</u>	<u>27,988</u>	<u>(30,771)</u>	<u>3,602</u>	<u>(7,093)</u>
Restricted fixed asset funds					
Transfer on conversion	64,612	30,808	(1,595)	0	93,925
Valuation	0	23,835	(449)	0	23,486
DfE/ESFA capital grants	1,681	1,289	(248)	0	2,722
Local Authority capital funds	1,210	11	(266)	0	955
Capital expenditure from GAG / Restricted Funds	1,023	0	(161)	367	1,229
Capital expenditure from unrestricted funds	162	0	(26)	0	136
Other Capital Funds	0	665	0	0	665
Private sector capital sponsorship	0	0	0	0	0
	<u>68,688</u>	<u>56,808</u>	<u>(2,745)</u>	<u>367</u>	<u>123,118</u>
Total restricted funds	<u>60,776</u>	<u>84,796</u>	<u>(33,516)</u>	<u>3,969</u>	<u>116,025</u>
Unrestricted funds					
Unrestricted funds	2,622	598	(486)	(522)	2,212
Transfer on conversion	0	1,826	0	0	1,826
Total unrestricted funds	<u>2,622</u>	<u>2,424</u>	<u>(486)</u>	<u>(522)</u>	<u>4,038</u>

The figures above refer to the consolidated balance sheet including the reserves of Ashton on Mersey Teaching School Limited, which amount to £10.703 (2016: £29,127 – following prior period adjustment).

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

Restricted general funds are those resources designated as restricted by the grant provider in meeting the objects of the Trust. Restricted fixed asset funds are those funds relating to the long term assets of the Trust used in delivering the objectives of the Trust. Unrestricted funds are funds that the Trustees may use in the pursuance of the Trust's objectives and are expendable at the discretion of the Trustees.

Under funding agreements with the Secretary of State for Education, the Trust is not subject to a limit on the amount of General Annual Grant (GAG) carry forward at 31 August 2017.

18. Analysis of Net Assets between Funds

Fund balances at 31 August 2017 are represented by:

	Unrestricted funds	Restricted general funds	Restricted fixed asset funds	Total Funds
	£'000	£'000	£'000	£'000
Tangible fixed assets	0	0	122,397	122,397
Current assets	4,038	4,969	829	9,836
Current liabilities	0	(4,117)	(18)	(4,135)
Non-current liabilities	0	0	(90)	(90)
Pension scheme liability	0	(7,945)	0	(7,945)
	4,038	(7,093)	123,118	120,063

The figures above refer to the consolidated balance sheet including the reserves of Ashton on Mersey Teaching School Limited.

19. Capital Commitments

	2017 £'000	2016 £'000
Contracted but not provided in the financial statements	80	99
	80	99

Capital commitments contracted for but not provided for in the financial statements relate to:

CCTV system at Ashton on Mersey - £18,773
 CCTV system at Broadoak School - £4,205
 CCTV system at Forest Gate Academy - £8,850
 CCTV system at Partington Central Academy - £14,680
 Play area at Blacklow Brow Primary - £33,262

A further sum of nil (2016: £408,000) was authorised but not contracted at 31 August 2017.

20. Commitments Under Operating Leases

Operating Leases

At 31 August 2017 the total of the Trust's future minimum lease payments under non-cancellable operating leases was:

	2017 £'000	2016 £'000
Amounts due within one year	342	337
Amounts due between one and five years	296	381
Amounts due after five years	0	0
	638	718

PFI Commitments

Lord Derby Academy is a PFI school operating from a site that opened in September 2009 under a 25 year PFI contract. Upon the conversion of Lord Derby Academy on 1st February 2014, the Trust contracted with Knowsley MBC to discharge the financial obligations of unitary charges for the remainder of the contract. The unitary charges amount to £1,297,014 subject to annual indexation using RPI. Based on current values, at 31 August 2017 the Trust had unitary charge commitments as follows for the remaining 17 years of the PFI contract:

	2017 £	2016 £
Amounts due within one year	1,297	1,026
Amounts due within one and five years	5,188	4,106
Amounts due after five years	15,564	13,343
	22,049	18,475

21. Reconciliation of Net Income/ (Expenditure) to Net Cash Inflow from Operating Activities

	2017 £'000	2016 £'000
Net income/(expenditure) for the reporting period (as per the statement of financial activities)	53,218	2,986
Adjusted for:		
Depreciation (note 13)	2,745	1,569
Loss on disposal of fixed assets	4	0
Donations - inherited fixed assets	(57,508)	(4,325)
Capital grants from DfE/ESFA and other capital income	(1,965)	(1,339)
Interest receivable (note 5)	(10)	(6)
Defined benefit pension scheme obligation inherited	1,543	643
Defined benefit pension scheme cost less contributions payable (note 28)	921	169
Defined benefit pension scheme finance cost (note 28)	215	182
(Increase) / decrease in stocks	34	44
(Increase) / decrease in debtors	282	(1,048)
Increase / (decrease) in creditors	1,440	(221)
Net cash inflow from operating activities	919	(1,346)

22. Cash Flows from Financing Activities

	2017 £'000	2016 £'000
Repayments of borrowing	(18)	(18)
Cash inflows from new borrowing	0	0
Cash transferred upon academy conversion	2,665	17
Net cash provided by / (used in) financing activities	2,647	(1)

23. Cash Flows from Investing Activities

	2017 £'000	2016 £'000
Dividends, interest and rents from investments	10	6
Purchase of tangible fixed assets	(1,989)	(1,054)
Capital grants from DfE/ESFA	1,289	1,339
Capital grants from sponsors and others	676	0
Proceeds from sale of tangible fixed assets	0	0
Net cash provided by / (used in) investing activities	(14)	291

24. Analysis of Cash and Cash Equivalents

	At 1 September 2016 £'000	Cash flows £'000	At 31 August 2017 £'000	2016 £'000
Cash in hand and at bank	4,329	3,552	7,881	4,329
Notice deposits	0	0	0	0
	4,329	3,552	7,881	4,329

25. Guarantees, letters of comfort and indemnities

No transactions arose

26. Contingent Liabilities

During the life of the funding agreement, in the event of the sale or disposal by other means of any asset for which a government capital grant was received, the academy is required either to re-invest the proceeds or to repay to the Secretary of State for Education the same proportion of the proceeds of the sale or disposal as equates with the proportion of the original cost met by the Secretary of State.

Upon termination of the funding agreement, whether as a result of the Secretary of State or the Academy serving notice, the academy shall repay to the Secretary of State sums determined by reference to:

- a) the value at that time of the academy's site and premises and other assets held for the purpose of the academy and
- b) the extent to which expenditure incurred in providing those assets was met by payments by the Secretary of State under the funding agreement.

27. Members' Liability

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

28. Pension and Similar Obligations

The employees of the Academy Trust belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales (TPS) for academic and related staff, and the Local Government Pension Scheme (LGPS) for non-teaching staff. Non-teaching staff are members of the Greater Manchester Pension Fund (GMPF) administered by Tameside Metropolitan Borough Council for Ashton on Mersey School, Broadoak School, Forest Gate Academy, Partington Central Academy, Dean Trust Ardwick, and Dean Trust Wigan, and the Merseyside Pension Fund (MPF) administered by Wirral Borough Council for Lord Derby Academy and Park View Academy. Both pension schemes are multi-employer defined-benefit schemes.

The pension cost is 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 most recent LGPS valuations for both the GMPF and MPF were carried out in 2016 for implementation of new employer contribution rates from 1st April 2017.

There were no outstanding or prepaid contributions at the beginning of the period. A sum of £0 (2016: £21,733) was due to the MPF at 31st August 2017 and this is included in with accrued expenditure within these financial statements.

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:

- employer contribution rates set at 16.48% of pensionable pay (including a 0.08% scheme administration charge (previously 14.1%))
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million

- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%

The TPS valuation for 2012 determined an employer rate of 16.48% from September 2015 including a 0.08% scheme administration charge. During the previous the employer contribution rate was 14.1%. The next valuation of the TPS will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension cost paid to TPS in the year ended 31st August 2017 amounted to £2,436,055 (2016: £2,030,400). These amounts include employer and employee contributions for the year ended 31st August 2017 of £1,536,480 and £899,575 respectively (2016: £1,287,998 and £742,402)

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

Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. Contributions to the scheme are determined by a qualified actuary and based upon triennial valuations using the projected unit method. The total contribution made for the year ended 31 August 2017 was £1,135,110 (2016: £905,826), of which employer's contributions totalled £828,880 (2016: £652,196) and employees' contributions totalled £306,230 (2016: £253,630). An additional lump sum of £116,239 (2016: £91,325) was paid by the employer to MPF in respect of those employees that are members of the scheme administered by MPF. The agreed employee contribution rates are banded from 5.5% to 12.5%.

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

Principal Actuarial Assumptions

	At 31 August 2017	At 31 August 2016
Rate of increase in salaries	3.2%	3.4%
Rate of increase for pensions in payment/inflation	2.4%	2.1%
Discount rate for scheme liabilities	2.5%	2.1%
Inflation assumption (CPI)	2.4%	2.1%
Commutation of pensions to lump sums (pre-April 2008 service)	55.0%	55.0%
Commutation of pensions to lump sums (post-April 2008 service)	80.0%	80.0%

The scheme liabilities are sensitive to changes in the principal actuarial assumptions. The table below shows the increase in scheme liabilities that would be experienced.

	At 31 August 2017	At 31 August 2016
	£000	£000
0.5% decrease in real discount rate	3,052	2,471
0.5% increase in the salary increase rate	691	928
0.5% increase in the pension increase rate	2,465	1,721

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

	At 31 August 2017	At 31 August 2016
<i>Current pensioners:</i>		
Males	21.5 years	21.4 years
Females	24.1 years	24.0 years
<i>Future pensioners:</i>		
Males	23.7 years	24.0 years
Females	26.2 years	26.6 years

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

	Fair value at 31 August 2017 £000	Fair value at 31 August 2016 £000
Equities	11,318	7,228
Bonds	2,525	1,744
Property	970	636
Cash	996	671
Total market value of assets	15,809	10,279
Present value of scheme liabilities - Funded	(23,754)	(18,992)
Deficit in the scheme	(7,945)	(8,713)

The actual return on scheme assets was £1,648,000 (2016: £400,000).

Amounts recognised in the statement of financial activities

	2017 £000	2016 £000
Current service cost (net of employee contributions)	921	169
Net interest cost	215	182
Expected return on pension scheme assets	0	0
Past service cost	0	0
Benefit changes, gain/(loss) on curtailment and gain/(loss) on settlement	33	0
Total operating charge	1,169	351

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

	Ashton on Mersey School		Broadoak School		Forest Gate Academy		Dean Trust Ardwick		Partington Central Academy		Dean Trust Wigan	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 September	10,121	6,776	3,097	2,106	980	620	70	0	0	0	0	0
Upon conversion	0	0	0	0	0	0	0	0	1,021	0	3,538	0
Current service cost	803	493	232	143	90	53	197	35	155	0	104	0
Interest cost	221	269	68	83	22	25	4	1	23	0	38	0
Employee contributions	139	127	34	32	14	13	28	9	20	0	19	0
Actuarial (gain)/loss	(1,221)	2,477	(716)	758	(251)	269	(17)	25	(34)	0	151	0
Benefits paid	(90)	(21)	(21)	(25)	(1)	0	0	0	0	0	(3)	0
Plan introductions, benefit changes, curtailments and settlements	18	0	15	0	0	0	0	0	0	0	0	0
At 31 August	9,991	10,121	2,709	3,097	854	980	282	70	1,185	0	3,647	0

	Lord Derby Academy		Park View Academy		Total Funds	
	2017	2016	2017	2016	2017	2016
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 September	3,255	2,088	1,469	0	18,992	11,590
Upon conversion	0	0	0	969	4,559	969
Current service cost	213	148	95	44	1,889	916
Interest cost	67	83	31	25	474	486
Employee contributions	38	38	17	11	309	230
Actuarial (gain)/loss	(252)	938	(24)	420	(2,364)	4,887
Benefits paid	(23)	(40)	0	0	(138)	(86)
Plan introductions, benefit changes, curtailments and settlements	0	0	0	0	33	0
At 31 August	3,298	3,255	1,568	1,469	23,754	18,992

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

	Ashton on Mersey School		Broadoak School		Forest Gate Academy		Dean Trust Ardwick		Partington Central Academy		Dean Trust Wigan	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 1 September	6,594	5,070	2,142	1,890	629	474	39	0	0	0	0	0
Upon conversion	0	0	0	0	0	0	0	0	660	0	2,356	0
Interest income	143	201	46	66	14	19	2	1	15	0	19	0
Return on plan assets (excluding net interest on the net defined pension liability)	797	863	154	294	89	82	15	2	85	0	90	0
Actuarial (gain)/loss	0	0	0	0	0	0	0	0	0	0	0	0
Employee contributions	139	127	34	32	14	13	28	9	20	0	19	0
Employer contributions	368	354	99	95	43	41	80	27	61	0	55	0
Benefits paid	(90)	(21)	(21)	(25)	(1)	0	0	0	0	0	(3)	0
Plan introductions, benefit changes, curtailments and settlements	0	0	0	0	0	0	0	0	0	0	0	0
At 31 August	7,949	6,594	2,454	2,142	788	629	164	39	841	0	2,535	0

	Lord Darby Academy		Park View Academy		Total Funds	
	2017	2016	2017	2016	2017	2016
	£'000	£'000	£'000	£'000	£'000	£'000
At 1 September	429	201	446	0	10,279	7,435
Upon conversion	0	0	0	328	3,016	328
Interest income	11	9	10	8	259	304
Return on plan assets (excluding net interest on the net defined pension liability)	45	44	(159)	46	1,116	1,323
Actuarial (gain)/loss	0	0	0	0	0	0
Employee contributions	38	38	17	11	309	230
Employer contributions	183	177	81	53	988	747
Benefit paid	(23)	(40)	0	0	(138)	(86)
Plan introductions, benefit changes, curtailments and settlements	0	0	0	0	0	0
At 31 August	683	429	395	446	15,809	10,279

29. Related Party Transactions

The charity is controlled by the Trustees who are directors of the company.

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

The following related party transactions took place in the period of account:

- Manchester United Foundation – a charity in which T Kapur, a trustee, Chief Executive Officer is a board member, and J Shiels, a trustee, is the Chief Executive. The Manchester United Foundation operates a football hub from the Broadoak School site. This links with the football development plan for Partington and the neighbouring communities run by Broadoak School. The cost of the football hub amounted to £25,000 (2016: £19,000) and predominantly related to the employment of a football development officer by the Manchester United Foundation. There were no outstanding amounts at 31 August 2017 (2016: £nil).
- The Football Foundation – a charity in which T Kapur, a trustee, Chief Executive Officer is chairman of the FA and Premier League facilities funding panel. Dean Trust Ardwick submitted a bid for funding for the construction of a sports pavilion with an estimated total cost of £750,000. T Kapur withdrew from all parts of the grant application process and subsequent assessment by The Football Foundation. The Football Foundation agreed a grant of £20,000 in the financial year ended 31st August 2016 towards the development of the bid and a further £656,098 in the financial year ended 31st August 2017 towards the development of the pavilion. An income of £656,098 is included in the year ended 31 August 2017 (2016: £17,310), of which a total of £149,770 was outstanding at 31st August 2017 (2016: £nil).
- Ashton on Mersey Teaching School Limited is a wholly owned subsidiary of The Dean Trust. Under the terms of a shared services agreement, the Dean Trust provides staff to enable Ashton on Mersey Teaching School Limited to conduct its business for which agreed recharges are made. A sum of £90,712 was recharged in the year ended 31 August 2017 (2016: £169,229). Ashton on Mersey Teaching School Limited undertakes business from a base at the Ashton on Mersey School premises. A recharge for occupancy and other ancillary support costs such as reprographics is made and amounted to £48,772 in the year ended 31 August 2017 (2016: £62,085). A total of £20,723 was outstanding at 31 August 2017 (2016: £69,448) Ashton on Mersey Teaching School Limited provides continuing professional development to staff within The Dean Trust Schools and a charge is made for these development activities. In the year ended 31 August 2017 this totalled £18,583 (2016: £4,173).

30. Fund balances

Fund balances at 31 August 2017 were allocated as follows:

	2017 £'000	2016 £'000
Ashton on Mersey School	1,229	1,473
Ashton on Mersey Teaching School Limited	11	29
Broadoak School	(247)	161
Forest Gate Academy	266	274
Partington Central Academy	436	0
Dean Trust Ardwick	228	29
Lord Derby Academy	776	1,494
Park View Academy	(7)	(37)
Dean Trust Wigan	2,198	0
Total before fixed asset and pension reserve	4,890	3,423
Restricted fixed asset fund	123,118	68,688
Pension reserve	(7,945)	(8,713)
Total	120,063	63,398

Partington Central Academy and Dean Trust Wigan joined the Trust during this financial year. Park View Academy joined the Trust during the previous financial year with an expenditure base which was not covered by income. The Trust took action to return the academy budget to a surplus over time with an immediate improvement. This included a robust plan to grow pupil numbers at the academy towards full capacity. It has also included a review of staffing structures and the cost base generally to align costs with available funds and other income streams. These actions are designed to return the academy to cumulative surplus over a number of years. In the meantime, the Trust will be supporting the academy deficit. The financial position at Broadoak School has been similarly addressed. Growth in pupil numbers has been achieved. Alongside a carefully considered cost reduction plan the academy is expected to rebuild balances and return to an overall positive reserves position over time.

Total cost analysis by academy

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

	Teaching and educational support staff costs £'000	Other support staff costs £'000	Educational supplies £'000	Other costs (excluding depreciation) £'000	Depreciation £'000	Total 2017 £'000	Total 2016 £'000
The Dean Trust	337	780	90	544	21	1,772	1,182
Ashton on Mersey School	5,832	988	1,220	1,233	529	9,802	9,943
Broadoak School	2,143	250	216	633	435	3,677	3,527
Forest Gate Academy	919	61	121	329	98	1,528	1,427
Dean Trust Ardwick	1,615	262	176	586	698	3,337	1,083
Partington Central Academy	1,350	127	138	337	133	2,085	0
Lord Derby Academy	3,599	530	473	1,439	508	6,549	6,266
Park View Academy	1,057	158	73	252	88	1,628	1,061
Dean Trust Wigan	1,308	214	148	412	234	2,316	0
Total funds	18,160	3,370	2,655	5,765	2,744	32,694	24,489

31. Conversion to an Academy Trust

On 1 September 2016 Partington Central Academy (formerly Partington Primary School) converted to academy status under the Academies Act 2010 and all of the operations and assets and liabilities were transferred to The Dean Trust from Trafford MBC for £nil consideration. Partington Primary School land and buildings transferred under a long lease of 125 years with a peppercorn rent of £nil.

On 1 April 2017 Dean Trust Wigan (formerly Abraham Guest Academy) was rebrokered and all of the operations and assets and liabilities were transferred to The Dean Trust from Abraham Guest Academy Trust for £nil consideration. Abraham Guest Academy land and buildings transferred as a freehold interest.

The Partington Central Academy and Dean Trust Wigan transfers have 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.

	Unrestricted Funds £'000	Restricted General Funds £'000	Restricted Fixed Asset Funds £'000	Total 2017 £'000
Partington Central Academy				
Leasehold land & buildings	0	0	7,250	7,250
Other fixed assets	0	0	0	0
Surplus on LA funds	374	0	0	374
LGPS pension deficit	0	(361)	0	(361)
Dean Trust Wigan				
Freehold land & buildings	0	0	23,216	23,216
Other fixed assets	0	0	442	442
Surplus on LA funds	1,452	839	0	2,291
LGPS pension deficit	0	(1,182)	0	(1,182)
Total funds	1,826	(704)	30,908	32,030

32. Agency Arrangements

The Trust distributes 16-19 bursary funds and school centred initial teacher training (SCITT) bursaries to students as an agent for the Education and Skills Funding Agency (ESFA). In the financial year ending 31 August 2017 the Trust received £10,557 (2016: £12,456) of 16-19 bursaries and £186,000 (2016: £250,000) of SCITT bursaries. It disbursed £12,557 (2016: £12,456) (cash and in kind) and £142,600 (2016: £234,000) from the respective funds. An amount of £43,400 (2016: £16,000) is included in other creditors relating to undistributed SCITT funds that is repayable to the EFA.

33. Events after the balance sheet date

Blacklow Brow Primary School a maintained primary school in Knowsley converted to an academy and joined The Dean Trust with effect from the 1 September 2017. The school was rebranded and named Blacklow Brow School upon conversion. Pre-conversion grants and related expenditure are accounted for within these financial statements.