

Registered number: 09323792

Manor Multi Academy Trust

Trustees report and financial statements

For the Year Ended 31 August 2017

 **DAINS**
ACCOUNTANTS

Manor Multi Academy Trust
(A company limited by guarantee)

Contents

	Page
Reference and administrative details	1
Trustees' report	2 - 10
Governance statement	11 - 13
Statement on regularity, propriety and compliance	14
Statement of Trustees' responsibilities	15
Independent auditors' report on the financial statements	16 - 18
Independent reporting accountant's assurance report on regularity	19 - 20
Statement of financial activities incorporating income and expenditure account	21
Balance sheet	22
Statement of cash flows	23
Notes to the financial statements	24 - 48

Manor Multi Academy Trust
(A company limited by guarantee)

Reference and administrative details
For the Year Ended 31 August 2017

Members D Coles
T Westwood
D Gwinnett
E Stanford (appointed 13 July 2017)
D C Knipe (appointed 1 November 2017)

Trustees D Coles, Chair
M Sharif, Vice Chair
A Cliff, Executive Head Teacher
A J Dibble (appointed 17 January 2017)
S Farnell
D C Knipe (resigned 17 October 2017)
K Morgan (appointed 17 January 2017)
H Smith
T Whatmore

Company registered number 09323792

Company name Manor Multi Academy Trust

Principal and registered office Ettingshall Road
Bilston
Wolverhampton
West Midlands
WV14 9UQ

Company secretary S Pickering

Senior leadership team A Cliff - Executive Head Teacher
J Mills - Head of School
H Guest - Head of School
E Hateley - Head of School
K Kaur - Deputy Head Teacher
J Sargent - Deputy Head Teacher
D Jones - Deputy Head Teacher

Independent auditors Dains LLP
15 Colmore Row
Birmingham
B3 2BH

Manor Multi Academy Trust
(A company limited by guarantee)

Trustees' report
For the Year Ended 31 August 2017

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2016 to 31 August 2017. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Trust operates three academies in Wolverhampton for pupils between the ages of 3 and 11 – the outstanding rated Manor Primary School and two sponsored academies, East Park and Hill Avenue. There were approximately 1,500 children on roll during the academic year.

Since the academy qualifies as small under section 383, the strategic report required of medium and large companies under The Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013 is not required.

Structure, governance and management

a. Constitution

The academy is a charitable company limited by guarantee and an exempt charity.

The charitable company's Memorandum of Association is the primary governing document of the academy trust.

The Trustees of Manor Multi Academy Trust are also the directors of the charitable company for the purpose of company law.

Details of the Trustees who served during the year are included in the Reference and administrative details on page 1.

b. Members' liability

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

c. Method of recruitment and appointment or election of Trustees

The management of the academy is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. The number of Trustees shall be not less than three but shall not be subject to any maximum.

The three original Members of Manor Multi Academy Trust appointed a number of Trustees, in accordance with the Articles of Association, and the Board originally comprised of the following:

- Six Trustees appointed by the Members, of which two are Parent Trustees who also serve on the Local Governing Body;
- The Executive Head Teacher

An additional two Trustees were appointed to the Board, based on their skills and experience, when the Trust expanded from one to three academies in December 2016.

The term of office for any Trustee shall be four years, save that this time limit shall not apply to any post which is held ex officio (The Executive Head Teacher). Subject to remaining eligible to be a particular type of Trustee, any Trustee may be re-appointed or re-elected at a General Meeting. Future Trustees shall be appointed or elected, as the case may be, under the Articles of Association. The Board will give consideration to the skills and experience of the existing Trustees when considering future appointments.

d. Policies and procedures adopted for the induction and training of Trustees

The Board of Trustees has devised an informal induction process to ensure that all Trustees understand their roles and responsibilities. The training and induction provided will depend on their experience but will always include a tour of the academies and a chance to meet staff and pupils. All Trustees have access to policies, procedures, minutes, budgets and other documents they will need to undertake their role as Trustees. All Trustees are subject to DBS checks.

e. Organisational structure

The Board of Trustees of the Multi Academy Trust establishes an overall framework for the governance of the academies and meet at least once per term. They are responsible for setting general policy, setting an annual plan and budget and monitoring the company by the use of budgets, making major decisions regarding strategic direction of the company and senior staff appointments. The Trustees are responsible for the monitoring and performance of the Executive Head Teacher.

The Local Governing Body is responsible for implementing the policies laid down by the Trustees and reporting back to them. They scrutinise the performance of the school. The Local Governing Body is a mix of parents, staff and Trustees.

The Executive Head Teacher is the Accounting Officer.

f. Pay policy for key management personnel

Arrangements for setting the pay and remuneration of the Trust's key management personnel are reviewed annually by the Pay Committee and approved by the Trustees. The Trust follows the pay arrangements for maintained schools in England and Wales for teachers. The Trust's pay policy is based on the national agreed pay scales as outlined in the School Teachers Pay and Conditions Document.

Objectives and Activities

a. Objects and aims

The principal object and activity of the charitable company is the operation of the academies to advance for the public benefit education in the United Kingdom, in particular but without prejudice to the generality of the foregoing, by establishing, maintaining, carrying on, managing and developing schools offering a broad and balanced curriculum.

b. Objectives, strategies and activities

The Improvement Plans are reviewed annually by the Trustees. The priorities set in the Improvement Plans for 2016-17 were:

Manor Primary School

- Improve the quality of teaching and learning and provision in mathematics, in order to increase percentages of children achieving at least age-related expectations across school;
- To further improve teaching and learning and provision in EYFS, in order to increase percentages of children achieving at least a good level of development by the end of Reception;
- To improve provision in English so that all groups of pupils, in all year groups, make rapid and sustained progress over time in reading and all aspects of writing;
- To further develop the creative curriculum (specifically Art, D&T, Music, PE and ICT) to enable all children to have access to high quality challenge pathways to achievement, that will lead to the highest standards;
- Implement pedagogical distributive leadership structures, and develop capacity of all leaders, so they have a greater collective influence on school improvement in order to further raise standards.

East Park Academy

- Urgently improve the quality of teaching in order to eradicate under-achievement and raise standards in reading, writing and mathematics;
- Improve pupils' personal development, behaviour and welfare;
- Improve provision in the early years;
- Improve leadership and management.

Hill Avenue Academy

- Ensure all children make at least expected progress and children whose attainment is below that of their peers nationally make at least better than expected rates of progress in reading, writing and maths;
- To improve the quality of teaching and learning so that it is consistently outstanding over time in all subjects;
- To develop the capacity of the leadership team so as to implement a more effective leadership structure that will enable leaders at all levels to drive improvements for excellence in teaching and learning and achievement, and as a consequence it is consistently outstanding in all classes over time;
- Further improve the quality of teaching and learning and provision in EYFS taking account of increased pupil numbers, in order to improve outcomes in all areas of learning, particularly in writing and mathematics.

The detailed strategies and activities for achieving each academies priorities are included in the Improvement Plans. The actions taken, and progress made against the individual activities, are communicated to Trustees in the Headteachers' Reports on a termly basis.

c. Public benefit

The Trustees confirm that they have complied with the requirement in Section 4 of the Charities Act 2011 to have due regard to the Charity Commission's guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Trust's aims and objectives and in planning its future activities.

Many activities and programmes enable the objectives of the Trust to be realised. In addition to the quality of teaching and learning, to ensure the outcomes and achievements for all students are recognised, a number of advanced activities take place in the public benefit e.g.:

- Extra curricular activities to all students
- Breakfast clubs and after school clubs
- Nursery education
- Parental engagement sessions

Achievements and performance

a. Key performance indicators

The key financial performance indicators are:

- Maintain sufficient cash reserves to fund projected expenditure
- Maintain solvency
- To continually review all resources expended or planned

The key financial performance indicators were further met in that the year-end position of all accounts were in-line with the annual budget plan approved by Trustees. The Finance Committee is a sub-committee of the Board of Trustees. They receive management accounts at each meeting to allow them to scrutinise the financial performance in detail. The minutes of these meetings are then reported to all Trustees at the next board meeting.

b. Going concern

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

c. Review of activities

The priorities set for the academies in the Improvement Plans for 2016-17 are detailed in the Objectives, strategies and activities section. The performance achieved against these activities is detailed below:

Assessment

The Outcomes for academic year 2016-17 were as follows:

Percentage of pupils achieving age-related expectations at Foundation Stage and at the end of KS1 and KS2 (greater depth percentages are shown in brackets)

Manor Primary

SUBJECT	FOUNDATION STAGE	KS1	KS2
Reading	90%	95% (51%)	100% (64%)
Writing	86%	90% (41%)	100% (48%)
Maths	90%	95% (49%)	100% (51%)
SPAG	n/a	n/a	100% (48%)
Combined	77%	88%	100% (20%)
National Average	71%	n/a	59% (9%)

Hill Avenue Academy

SUBJECT	FOUNDATION STAGE	KS1	KS2
Reading	78%	86% (27%)	92% (21%)
Writing	76%	91% (18%)	92% (26%)
Maths	80%	86% (39%)	92% (26%)
SPAG	n/a	n/a	95% (32%)
Combined	73%	82%	86% (11%)
National Average	71%	n/a	59% (9%)

c. Review of activities (continued)

East Park Academy

SUBJECT	FOUNDATION STAGE	KS1	KS2
Reading	73%	65% (24%)	54% (14%)
Writing	62%	64% (12%)	49% (2%)
Maths	70%	70% (22%)	66% (11%)
SPAG	n/a	n/a	66% (11%)
Combined	61%	56%	36% (2%)
National Average	71%	n/a	59% (9%)

Attainment in Phonics

SCHOOL	YEAR 1 % ACHIEVED	YEAR 2 RETAKES % ACHIEVED
Manor Primary	98%	100%
Hill Avenue	89%	100%
East Park	63%	89%
National Average	81%	68%

Attendance

The overall percentage of attendance during the academic year for the Trust's academies were:

- Manor Primary School - 96.6%
- East Park Academy - 94.7%
- Hill Avenue Academy - 94.9%

Site and equipment

A large number of site and ICT-related investment has been achieved over the course of the year including:

- Replacement of a large section of the roof at Hill Avenue Academy, as part of a successful Capital Improvement Fund (CIF) application;
- Resurfacing and refurbishment of the two outdoor learning quads at Manor Primary School;
- Library redevelopment and purchase of new books at East Park Academy;
- Development of a Nurture room at East Park Academy;
- Removal of asbestos from the boiler house at East Park Academy;
- Laptops and interactive whiteboards replaced at East Park Academy.

d. Factors relevant to achieve objectives

The factors relevant to the Trust to allow it to achieve its objectives are:

- The quality of teaching and learning is maintained at the very highest standards;
- Robust monitoring and challenge of the data by the Senior Leadership Team and the Trustees;
- That funds are accurately targeted at the key improvement priorities;
- That the principal risks and uncertainties identified are mitigated.

Financial review

a. Reserves policy

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

At 31 August 2017 the Trust had free reserves of £942,233 (2016 - £574,630), fixed asset reserves of £8,076,508 (2016 - £38,433) which can only be realised by disposing of tangible fixed assets, and a pension reserve in deficit of £3,834,000 (2016 - £1,039,000).

The level of reserves is broadly in line with that agreed by Trustees in the annual budget plan. The increase in unrestricted reserves during 2016-17 is linked to the balances brought forward on conversion by the academies joining the Trust.

Funds have been set aside for future expenditure associated with the capital improvement of the three academy sites. The Trust will bid for four CIF projects in academic year 2017-18 and, if successful, this will lead to significant revenue contributions towards these projects from the Trust reserves. The playground and car park will also require resurfacing at Hill Avenue and this will need to be funded from revenue reserves.

The aim of the Trust board is to gradually reduce reserves levels, through careful targeting on key priorities, so they are equivalent to one month of GAG funding – currently this would be around £450,000.

b. Material investments policy

The academy approved an Investment Policy in February 2016. The Trust aims to manage its cash balances to ensure that adequate funds are available to meet the day-to-day requirements of its operations. In addition, the Trust aims to invest surplus cash funds to optimise returns, but ensuring that the investments are risk free and easily accessible. Funds are currently held in low interest bank accounts with Lloyds. No surplus cash funds were invested during the year. A move to a single Trust bank account will be achieved during 2017-18, this will make it easier to invest surplus cash and achieve higher returns on investments.

c. Principal risks and uncertainties

The Trustees have conducted a risk review and will continue to review the Risk Register annually. The key risks of concern to the Trust have been identified as follows:

- Presence of other organisations with similar objects and little scope for differentiation and competing for the same sources of income;
- Reserves level risk;
- Changes to, or absence of, leadership and management and other key staff;
- Risk that employers' pension contribution rates will increase further on the 2016-17 increases, and that the significant deficits and annual repayments to the schemes will continue to impact on the funding available for pupils.

Plans for future periods

a. Future developments

The strategy of the Trust is to grow further via a mixture of sponsorship and convertor schools and, following a successful application process, the Trust has been given the opportunity to sponsor St Alban's Church of England Primary School and St Thomas' Church of England Primary School will join the Trust as a convertor academy. Both schools' are within Wolverhampton and are proposed to join the Trust early in 2018.

The priorities in the School Improvement Plans for the current academies in 2017-18 are:

Manor Primary School

- Further improve the quality of teaching and learning by providing a highly effective development programme to all NQT's, to ensure quality of teaching and learning is good with outstanding features by the end of their first year, a programme to all other staff so that outstanding teaching and learning is sustained and develop self-improving reflective teachers;
- Implement a leadership development programme to enable all leaders in the new leadership structure to be effectively accountable in their role, drive sustainable school improvement and further raise standards;
- To accelerate rates of progress of all pupil groups in all years in writing, so that we close the in-year attainment gaps between reading and writing;
- To further improve teaching and learning and provision in EYFS taking account of new staffing, so that teaching and learning is consistently outstanding over time and a greater percentage of children achieve a good level of development by the end of Reception;
- To review and revise the Computing, Art, PHSCE, RE, History, Geography, Music and Science curriculum through working party principles, in order to ensure they provide innovative, creative and challenging pathways to achievement.

East Park Academy

- Continue to improve the quality of teaching in order to eradicate any further underachievement and raise standards in reading, writing and mathematics;
- Improve pupils' personal development, behaviour and welfare;
- Improve provision in the Early Years;
- Improve leadership and management.

a. Future developments (continued)

Hill Avenue Academy

- Developing capacity at all levels so that all leaders collectively influence and are accountable for school improvement;
- Further improve pupil outcomes for EYFS (GLD), key stages 1 and 2 to be significantly above national expectations;
- For all disadvantaged children to make better than expected rates of progress and the more-abled disadvantaged children to be working at greater depth by the end of Year 6;
- For the quality of teaching and learning to be consistently outstanding over time in all classes.

Key site priorities for 2017-18 have been identified as:

- The replacement of the heating systems at all three sites, subject to successful bids for Condition Improvement Funding;
- The replacement of the roof over the hall and Nursery blocks at East Park Academy, subject to a successful bid for Condition Improvement Funding;
- The resurfacing of the playground and car park at Hill Avenue Academy.

Funds held as custodian

The Trust does not hold any funds as custodian trustee as at 31 August 2017.

Disclosure of information to auditors

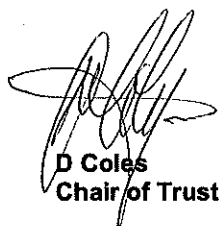
Insofar as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware, and
- that Trustees have taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable company's auditors are aware of that information.

Auditors

The auditors, Dains LLP, have indicated their willingness to continue in office. The Designated Trustees will propose a motion re-appointing the auditors at a meeting of the Trustees.

The Trustees' report was approved by order of the board of trustees, as the company directors, on 5 December 2017 and signed on its behalf by:


D Coles
Chair of Trustees

Manor Multi Academy Trust
(A company limited by guarantee)

Governance Statement

Scope of Responsibility

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

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

Governance

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The board of trustees has formally met 6 times during the year. Attendance during the year at meetings of the board of trustees was as follows:

Trustee	Meetings attended	Out of a possible
D Coles, Chair	6	6
M Sharif, Vice Chair	6	6
A Cliff, Executive Head Teacher	6	6
A J Dibble (appointed 17 January 2017)	3	3
S Farnell	5	6
D C Knipe	2	6
K Morgan (appointed 17 January 2017)	3	3
H Smith	6	6
T Whatmore	6	6

The Finance Committee is a sub-committee of the main board of trustees. Its purpose is to regulate and control the financial affairs of the Trust. The committee is responsible for setting the Trust's annual budget in the light of the School's Development Plan, conducting an annual review of the Trust's financial management arrangements and financial procedures, entering into and monitoring contract performance and reviewing any charges that the Trust makes, ensuring they comply with the statutory limitations.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
D Coles	4	4
M Sharif	2	4
T Whatmore	3	4
D Knipe	1	4
A Cliff	4	4

The Pay Committee is also a sub-committee of the main board of trustees. Its purpose is to determine annual salary progression for eligible members of staff.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
D Coles	1	1
M Sharif	1	1
T Whatmore	1	1
D Knipe	0	1

Governance Statement (continued)

Review of Value for Money

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

The Accounting Officer considers how the Trust's use of its resources has provided good value for money during each academic year, and reports to the board of trustees where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the Trust has delivered improved value for money during the year as follows:

- All service level agreements traded through the Local Authority and external providers have again been reviewed, and these have been replaced, or removed altogether, where they have not represented value for money;
- Supplier contracts that came to an end during the year have been reviewed and these have been re-negotiated or not renewed where they have not represented value for money;
- Reviewing all major contracts and finalising the process of awarding these via competitive tender e.g. a new catering contract that has commenced in October 2017;
- The staffing structures have been reviewed, and new structures implemented where necessary, to allow the Trust to sponsor the two new academies. This has allowed staff and best practice to be shared across all the Trust's academies. This includes, but is not limited to, shared leadership and management, Specialist Leaders in Education, finance, business management, ICT and premises support;
- The Trust has robust monitoring and purchasing systems in place to ensure there is no wastage or extravagance;
- Ensuring management accounts and budgets are monitored and reviewed at least termly by the Finance Committee.

The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Manor Multi Academy Trust for the year 1 September 2016 to 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 ongoing process for identifying, evaluating and managing the Trust's significant risks, that has been in place for the year 1 September 2016 to 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.

Governance Statement (continued)

The Risk and Control Framework

The Trust's system of internal financial control is based on a framework of regular management information and administrative procedures including the segregation of duties and a system of delegation and accountability. In particular, it includes:

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the board of trustees;
- regular reviews by the Finance Committee of reports which indicate financial performance against the forecasts and of major purchase plans, capital works and expenditure programmes;
- setting targets to measure financial and other performance;
- clearly defined purchasing (asset purchase or capital investment) guidelines.
- delegation of authority and segregation of duties;
- identification and management of risks.

The board of trustees has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Trustees have appointed Dains LLP, the external auditors, to perform additional checks.

The auditors' role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. In particular the checks carried out in the current period included: Income testing, Purchase testing, Payroll testing, Petty Cash and Credit Card testing, Bank reconciliation and general month end procedural reviews and Fixed Asset tendering procedure review.

On an annual basis, the auditors report to the board of trustees through the finance and general purposes committee on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

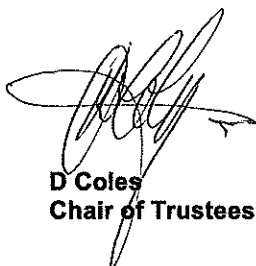
Review of Effectiveness

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


- the work of the external auditors;
- the work of the executive managers within the Trust who have responsibility for the development and maintenance of the internal control framework.

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

Approved by order of the members of the board of trustees on 5 December 2017 and signed on their behalf, by:



D Coles
Chair of Trustees



A Cliff
Accounting Officer

Manor Multi Academy Trust
(A company limited by guarantee)

Statement on Regularity, Propriety and Compliance

As Accounting Officer of Manor Multi Academy 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.



A Cliff
Accounting Officer

Date: 5 December 2017

Manor Multi Academy Trust
(A company limited by guarantee)

Statement of Trustees' responsibilities
For the Year Ended 31 August 2017

The Trustees (who act as governors of Manor Multi Academy Trust and are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with the Annual Accounts Direction issued by the Education 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:

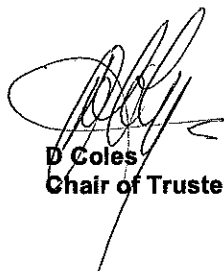
- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting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

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

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

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

Approved by order of the members of the board of trustees on 5 December 2017 and signed on its behalf by:



D Coles
Chair of Trustees

Independent auditors' report on the financial statements to the members of Manor Multi Academy Trust

Opinion

We have audited the financial statements of Manor Multi Academy Trust for the year ended 31 August 2017 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

This report is made solely to the academy's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the academy's 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 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 academy'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; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2016 to 2017 issued by the Education and Skills Funding Agency.

Basis of 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the 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.

Independent auditors' report on the financial statements to the members of Manor Multi Academy Trust

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 information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Trustees' report for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has 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 academy and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

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

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

Responsibilities of trustees

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the academy for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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's or to cease operations, or have no realistic alternative but to do so.

Manor Multi Academy Trust
(A company limited by guarantee)

Independent auditors' report on the financial statements to the members of Manor Multi Academy Trust

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.

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



Julian Townsend ACA FCCA (Senior statutory auditor)

for and on behalf of

Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham
5 December 2017

Manor Multi Academy Trust
(A company limited by guarantee)

Independent reporting accountants' assurance report on regularity to Manor Multi Academy Trust and the Education and Skills Funding Agency

In accordance with the terms of our engagement letter dated 17 February 2016 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 Manor Multi Academy Trust during the year 1 September 2016 to 31 August 2017 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

Respective responsibilities of Manor Multi Academy Trust's accounting officer and the reporting accountant

The Accounting Officer is responsible, under the requirements of Manor Multi Academy Trust's funding agreement with the Secretary of State for Education dated 28 January 2016, 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 1 September 2016 to 31 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.

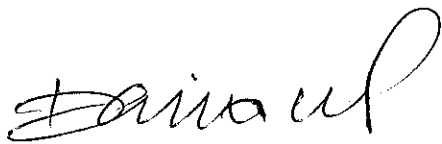
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the academy's income and expenditure.

Manor Multi Academy Trust
(A company limited by guarantee)

Independent reporting accountants' assurance report on regularity to Manor Multi Academy Trust and the Education and Skills Funding Agency (continued)

Conclusion

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2016 to 31 August 2017 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Dains LLP

Statutory Auditor
Chartered Accountants

Birmingham

5 December 2017

Manor Multi Academy Trust
(A company limited by guarantee)

Statement of financial activities incorporating income and expenditure account
For the Year Ended 31 August 2017

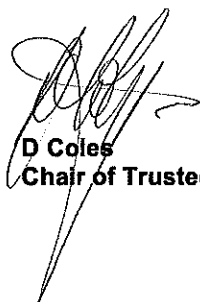
	Note	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Income from:						
Donations & capital grants:						
Transfer of assets on conversion	2	476,189	(2,218,000)	7,896,582	6,154,771	(31,356)
Other donations and capital grants	2	80,627	-	146,824	227,451	35,961
Charitable activities:	3					
Fundraising for the academy's educational operations		78,992	5,528,881	-	5,607,873	1,365,490
Teaching schools		49,175	101,300	-	150,475	81,648
Other trading activities	4	11,545	-	-	11,545	3,480
Investments	5	575	-	-	575	267
Total income		697,103	3,412,181	8,043,406	12,152,690	1,455,490
Expenditure on:						
Raising funds		44,082	-	-	44,082	36,493
Charitable activities:						
Academy trust educational operations		58,777	5,728,417	166,063	5,953,257	1,328,162
Teaching schools		72,524	111,149	-	183,673	43,772
Total expenditure	6	175,383	5,839,566	166,063	6,181,012	1,408,427
Net income / (expenditure) before transfers		521,720	(2,427,385)	7,877,343	5,971,678	47,063
Transfers between Funds	16	(77,074)	(83,658)	160,732	-	-
Net income / (expenditure) before other recognised gains and losses		444,646	(2,511,043)	8,038,075	5,971,678	47,063
Actuarial loss on defined benefit pension schemes	13	-	(361,000)	-	(361,000)	(473,000)
Net movement in funds		444,646	(2,872,043)	8,038,075	5,610,678	(425,937)
Reconciliation of funds:						
Total funds brought forward		483,923	(948,293)	38,433	(425,937)	-
Total funds carried forward		928,569	(3,820,336)	8,076,508	5,184,741	(425,937)

Manor Multi Academy Trust
(A company limited by guarantee)
Registered number: 09323792

Balance sheet
As at 31 August 2017

	Note	£	2017 £	£	2016 £
Fixed assets					
Tangible assets	13		8,073,436		25,587
Current assets					
Debtors	14	332,799		120,026	
Cash at bank and in hand		1,387,939		702,246	
		<u>1,720,738</u>		<u>822,272</u>	
Creditors: amounts falling due within one year	15	(775,433)		(234,796)	
Net current assets			<u>945,305</u>		<u>587,476</u>
Total assets less current liabilities			<u>9,018,741</u>		<u>613,063</u>
Defined benefit pension scheme liability	22		(3,834,000)		(1,039,000)
Net assets/(liabilities) including pension scheme liabilities			<u><u>5,184,741</u></u>		<u><u>(425,937)</u></u>
Funds of the academy					
Restricted income funds:					
Restricted income funds	16	13,664		90,707	
Restricted fixed asset funds	16	8,076,508		38,433	
Restricted income funds excluding pension liability		<u>8,090,172</u>		<u>129,140</u>	
Pension reserve		(3,834,000)		(1,039,000)	
Total restricted income funds			<u>4,256,172</u>		<u>(909,860)</u>
Unrestricted income funds	16		<u>928,569</u>		<u>483,923</u>
Total funds/(deficit)			<u><u>5,184,741</u></u>		<u><u>(425,937)</u></u>

The financial statements on pages 21 to 48 were approved by the Trustees, and authorised for issue, on 5 December 2017 and are signed on their behalf, by:


D Coles
Chair of Trustees

Manor Multi Academy Trust
(A company limited by guarantee)

Statement of cash flows
For the Year Ended 31 August 2017

	Note	2017 £	2016 £
Cash flows from operating activities			
Net cash provided by operating activities	18	<u>375,192</u>	<u>208,640</u>
Cash flows from investing activities:			
Bank interest received		575	267
Purchase of tangible fixed assets		(357,142)	-
Capital grants from DfE/ESFA and other capital income		<u>146,824</u>	<u>3,795</u>
Net cash (used in)/provided by investing activities		<u>(209,743)</u>	<u>4,062</u>
Cash flows from financing activities:			
Cash transferred on conversion to an academy trust		<u>520,244</u>	<u>489,544</u>
Net cash provided by financing activities		<u>520,244</u>	<u>489,544</u>
Change in cash and cash equivalents in the year			
Cash and cash equivalents brought forward		<u>702,246</u>	-
Cash and cash equivalents carried forward	19	<u><u>1,387,939</u></u>	<u><u>702,246</u></u>

1. Accounting policies

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2016 to 2017 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Manor Multi Academy Trust constitutes a public benefit entity as defined by FRS 102.

1.2 Going concern

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy 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.

1.3 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.

Expenditure on Raising Funds

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

Charitable activities

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

All expenditure is inclusive of irrecoverable VAT.

1. Accounting policies (continued)

1.4 Income

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

Grants

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

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

Donations

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

Other income

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

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 risk and rewards of ownership pass to the trust. An equal amount of income is recognised as a transfer on conversion within Income from donations and capital grants.

1. Accounting policies (continued)

1.5 Tangible fixed assets and depreciation

All assets costing more than £2,500 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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

Long term leasehold property	-	2% straight line
Long term leasehold land	-	0.8% straight line
Leasehold improvements	-	Leasehold improvements
Fixtures and fittings	-	20% straight line
Computer equipment	-	25% straight line

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

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

1.6 Debtors

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

1.7 Cash at Bank and in hand

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

1. Accounting policies (continued)

1.8 Liabilities and provisions

Liabilities and provisions 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 anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

1.9 Financial instruments

The academy only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the academy 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 14. Prepayments are not financial instruments. Cash at bank is classified as a basic financial instrument and is measured at face value.

Financial liabilities - trade creditors, accruals and other creditors are financial instruments, and are measured at amortised costs as detailed in note 15. Taxation and social security are not included in the financial instruments disclosure definition. Deferred income is not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver services rather than cash or another financial instruments.

1.10 Taxation

The academy 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 is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

1. Accounting policies (continued)

1.11 Pensions

Retirement benefits to employees of the academy trust are provided by the Teachers' Pension Scheme ("TPS") and the Local Governments Pension Scheme ("LGPS"). These are defined benefit schemes.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the academy trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, 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 incorporating income and expenditure account and comprises the interest cost on the defined benefit obligation and interest income on the scheme assets, calculated by multiplying the fair value of the scheme assets at the beginning of the period by the rate used to discount the benefit obligations. The difference between the interest income on the scheme assets and the actual return on the scheme assets is recognised in other recognised gains and losses.

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

1.12 Conversion to an academy trust

The conversion from a state maintained school to an academy trust involved the transfer of identifiable assets and liabilities and the operation of the school for £Nil consideration. The substance of the transfer is that of a gift and it has been accounted for on that basis as set out below.

The assets and liabilities transferred on conversion from East Park Primary School and Hill Avenue Primary School to an academy trust have been valued at their fair value. The fair value has been derived based on that of equivalent items. The amounts have been recognised under the appropriate balance sheet categories, with a corresponding amount recognised in Donations - transfer from local authority on conversion in the Statement of financial activities incorporating income and expenditure account and analysed under unrestricted funds, restricted general funds and restricted fixed asset funds.

Further details of the transaction are set out in note 20.

1. Accounting policies (continued)

1.13 Fund accounting

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

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

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

1.14 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.

Critical accounting estimates and assumptions:

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 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 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.

Critical areas of judgment:

Tangible fixed assets are depreciated over the useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors.

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

2. Income from donations and capital grants

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £	Total funds 2016 £
Transfer of assets on conversion	476,189	(2,218,000)	7,896,582	6,154,771	(31,356)
Donations	32,954	-	-	32,954	2,828
Capital Grants	-	-	146,824	146,824	-
School trips	47,673	-	-	47,673	33,133
Subtotal	80,627	-	146,824	227,451	35,961
	<u>556,816</u>	<u>(2,218,000)</u>	<u>8,043,406</u>	<u>6,382,222</u>	<u>4,605</u>
<i>Total 2016</i>	<u>516,454</u>	<u>(552,000)</u>	<u>40,151</u>	<u>4,605</u>	

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

3. Funding for Academy's educational operations

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
DfE/ESFA grants				
General Annual Grant (GAG)	-	4,231,384	4,231,384	826,409
Start Up Grant	-	50,000	50,000	25,000
Other DfE/ESFA Grants	-	51,724	51,724	124,134
Pupil Premium	-	456,072	456,072	53,533
Universal Infant Free School Meals Grant	-	101,219	101,219	37,090
	-	4,890,399	4,890,399	1,066,166
Other government grants				
Local Authority grants	-	468,635	468,635	106,766
Expansion programme lag funding	-	86,546	86,546	52,124
NCTL grants	-	101,300	101,300	50,048
	-	656,481	656,481	208,938
Other funding				
Catering income	3,227	65,042	68,269	16,790
Support to other schools	40,820	-	40,820	68,960
Income from university placements	-	4,390	4,390	33,750
Teaching school income	49,175	-	49,175	31,600
Insurance income	1,000	-	1,000	500
Maternity pooling reimbursement	-	13,869	13,869	20,434
School uniform and other income	33,945	-	33,945	-
	128,167	83,301	211,468	172,034
	128,167	5,630,181	5,758,348	1,447,138
<i>Total 2016</i>	172,033	1,275,105	1,447,138	

4. Other trading activities

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Hire of premises	11,545	-	11,545	3,480
<i>Total 2016</i>	3,480	-	3,480	

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

5. Investment income

	Unrestricted funds 2017 £	Restricted funds 2017 £	Total funds 2017 £	Total funds 2016 £
Investment income	575	-	575	267
<i>Total 2016</i>	267	-	267	

6. Expenditure

	Staff costs 2017 £	Premises 2017 £	Other costs 2017 £	Total 2017 £	Total 2016 £
Expenditure on raising voluntary income	-	-	44,082	44,082	36,493
Educational Operations:					
Direct costs	3,807,048	105,663	473,036	4,385,747	907,529
Support costs	510,163	415,563	825,457	1,751,183	464,405
	4,317,211	521,226	1,342,575	6,181,012	1,408,427
<i>Total 2016</i>	1,026,493	100,908	281,026	1,408,427	

7. Analysis of expenditure by activities

	Activities undertaken directly 2017 £	Support costs 2017 £	Total 2017 £	Total 2016 £
Educational Operations	4,385,747	1,751,183	6,136,930	1,371,934
<i>Total 2016</i>	907,529	464,405	1,371,934	

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

7. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Total 2017 £	Total 2016 £
LGPS finance costs	72,000	13,000
Educational supplies	180,546	31,325
Staff development	33,688	3,891
Other direct costs	52,032	8,103
Agency and staff restructuring costs	176,082	-
Wages and salaries	2,799,452	673,750
National insurance	259,571	57,754
Pension cost	706,713	119,706
Depreciation	105,663	-
	<u>4,385,747</u>	<u>907,529</u>
<i>At 31 August 2016</i>	<u>907,529</u>	

Analysis of support costs

	Total 2017 £	Total 2016 £
Staff costs	510,164	166,283
Depreciation	60,400	5,513
Staff development	21,834	10,228
Technology costs	195,613	69,175
Travel and subsistence	4,004	1,942
Catering costs	275,846	58,272
Recruitment and support	2,471	9,100
Maintenance of premises	190,817	51,713
Maintenance of equipment	28,961	11,057
Cleaning	100,421	3,463
Operating leases	9,321	790
Rates	9,895	10,004
Water rates	12,005	4,379
Energy	60,156	22,684
Insurance	26,560	6,946
Technology costs	12,406	1,719
Other occupancy costs	125,332	13,374
Governance costs	104,977	17,763
	<u>1,751,183</u>	<u>464,405</u>
<i>At 31 August 2016</i>	<u>464,405</u>	

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

8. Net income/(expenditure)

This is stated after charging:

	2017	2016
	£	£
Depreciation of tangible fixed assets:		
- owned by the charity	166,063	5,513
Auditors' remuneration - audit	10,950	6,750
Auditors' remuneration - other services	850	750
	<u><u> </u></u>	<u><u> </u></u>

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

9. Staff costs

a. Staff costs

Staff costs were as follows:

	2017 £	2016 £
Wages and salaries	3,227,301	809,794
Social security costs	293,377	68,784
Operating costs of defined benefit pension schemes	755,221	138,915
	<u>4,275,899</u>	<u>1,017,493</u>
Staff restructuring costs	41,312	9,000
	<u>4,317,211</u>	<u>1,026,493</u>

b. Non statutory/non contractual staff severance payments

Included in staff restructuring costs are non-statutory/non-contractual severance payments totalling £25,300 (2016 - £9,000). Two individual payments of £11,800 and £13,500 were made during the year.

c. Staff numbers

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

	2017 No.	2016 No.
Management	7	4
Teaching	59	23
Educational Support	61	16
Premises	12	10
Finance and Administration	13	5
Lunchtime	26	6
	<u>178</u>	<u>64</u>

d. Higher paid staff

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

	2017 No.	2016 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	2	0
In the band £100,001 - £200,000	1	1

9. Staff costs (continued)

e. Key management personnel

The key management personnel of the academy trust comprise key trustees and the senior leadership team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the academy trust was £507,317 (2016 - £178,043).

10. Shared services

Manor Primary School has provided the following shared services to East Park Academy and Hill Avenue Academy during the year:

- Executive Head Teacher support to leadership and management
- HR and recruitment support
- Finance support, including best value / tendering of contracts
- Payroll support
- Premises management including management of all capital projects and CIF bids
- SLE support to teachers and leaders to drive improvement

The actual amounts charged during the year by Manor Primary School were as follows:

	2017	2016
	£	£
East Park Academy	117,793	-
Hill Avenue Academy	46,778	-
	<u>164,571</u>	<u> </u>
Total	<u> </u>	<u> </u>

11. Trustees' remuneration and expenses

One Trustee has been paid remuneration or has received other benefits from an employment with the academy trust. The Executive Head Teacher only receives remuneration in respect of services she provides undertaking the role of Executive Head Teacher under her contract of employment, and not in respect of her role as a Trustee. The value of Trustees' remuneration and other benefits was as follows:

		2017	2016
		£	£
A Cliff, Executive Head Teacher	Remuneration	110,000-115,000	60,000-65,000
- 12 months / 7 months	Pension contributions paid	15,000-20,000	10,000-15,000

During the year, no Trustees received any benefits in kind (2016 - £NIL).

During the year ended 31 August 2017, no Trustees received any reimbursement of expenses (2016 - £Nil).

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

12. Trustees' and Officers' Insurance

The academy trust has opted into the Department for Education's risk protection arrangement (RPA), an alternative to insurance where UK government funds cover losses that arise. This scheme protects trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business, and provides cover up to £10,000,000. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

13. Tangible fixed assets

	Long-term leasehold land and buildings £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 1 September 2016	-	25,000	6,100	31,100
Additions	204,589	36,719	115,834	357,142
Transfer of assets on conversion	7,727,189	40,298	89,283	7,856,770
At 31 August 2017	<u>7,931,778</u>	<u>102,017</u>	<u>211,217</u>	<u>8,245,012</u>
Depreciation				
At 1 September 2016	-	2,917	2,596	5,513
Charge for the year	105,663	12,006	48,394	166,063
At 31 August 2017	<u>105,663</u>	<u>14,923</u>	<u>50,990</u>	<u>171,576</u>
Net book value				
At 31 August 2017	<u>7,826,115</u>	<u>87,094</u>	<u>160,227</u>	<u>8,073,436</u>
At 31 August 2016	<u>-</u>	<u>22,083</u>	<u>3,504</u>	<u>25,587</u>

No value is included in the financial statements for Manor Primary School land and buildings as this is still owned by the Local Authority while the expansion programme is completed. A lease for the land and buildings is expected to come into effect in 2017/18.

14. Debtors

	2017 £	2016 £
Trade debtors	23,767	2,342
VAT recoverable	69,998	45,281
Prepayments and accrued income	239,034	72,403
	<u>332,799</u>	<u>120,026</u>

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

15. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Other taxation and social security	35,276	-
Accruals and deferred income	740,157	234,796
	<u>775,433</u>	<u>234,796</u>
	<u>775,433</u>	<u>234,796</u>
	2017	2016
	£	£
Deferred income		
Deferred income at 1 September 2016	156,365	-
Resources deferred during the year	211,329	156,365
Amounts released from previous years	(156,365)	-
	<u>211,329</u>	<u>156,365</u>
Deferred income at 31 August 2017	<u>211,329</u>	<u>156,365</u>

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

16. Statement of funds

	Balance at 1 September 2016 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2017 £
Unrestricted funds						
General Funds	483,923	697,103	(175,383)	(77,074)	-	928,569
Restricted funds						
General Annual Grant (GAG)	67,194	4,231,384	(4,214,920)	(83,658)	-	-
Start Up Grant	4,164	-	-	-	-	4,164
Pupil Premium	-	483,607	(483,607)	-	-	-
Teaching School	19,349	101,300	(111,149)	-	-	9,500
Other grants	-	813,890	(813,890)	-	-	-
Pension reserve	(1,039,000)	(2,218,000)	(216,000)	-	(361,000)	(3,834,000)
	<u>(948,293)</u>	<u>3,412,181</u>	<u>(5,839,566)</u>	<u>(83,658)</u>	<u>(361,000)</u>	<u>(3,820,336)</u>
Restricted fixed asset funds						
Capital surplus transferred on conversion	9,051	39,813	-	-	-	48,864
Assets transferred on conversion	25,587	7,856,770	(152,691)	-	-	7,729,666
DfE/ESFA capital grants	3,795	146,823	(1,847)	-	-	148,771
Capital expenditure from GAG	-	-	(11,525)	160,732	-	149,207
	<u>38,433</u>	<u>8,043,406</u>	<u>(166,063)</u>	<u>160,732</u>	<u>-</u>	<u>8,076,508</u>
Total restricted funds	<u>(909,860)</u>	<u>11,455,587</u>	<u>(6,005,629)</u>	<u>77,074</u>	<u>(361,000)</u>	<u>4,256,172</u>
Total of funds	<u>(425,937)</u>	<u>12,152,690</u>	<u>(6,181,012)</u>	<u>-</u>	<u>(361,000)</u>	<u>5,184,741</u>

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

16. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 September 2015 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2016 £
Unrestricted funds						
General Funds	-	621,261	(137,338)	-	-	483,923
	<u>-</u>	<u>621,261</u>	<u>(137,338)</u>	<u>-</u>	<u>-</u>	<u>483,923</u>
Restricted funds						
General Annual Grant (GAG)	-	826,409	(759,215)	-	-	67,194
Start Up Grant	-	25,000	(20,836)	-	-	4,164
Pupil Premium	-	53,533	(53,533)	-	-	-
Other grants	-	437,341	(417,992)	-	-	19,349
Pension reserve	-	(552,000)	(14,000)	-	(473,000)	(1,039,000)
	<u>-</u>	<u>790,283</u>	<u>(1,265,576)</u>	<u>-</u>	<u>(473,000)</u>	<u>(948,293)</u>
Restricted fixed asset funds						
Capital surplus transferred on conversion	-	9,051	-	-	-	9,051
Assets transferred on conversion	-	31,100	(5,513)	-	-	25,587
DfE/ESFA capital grants	-	3,795	-	-	-	3,795
	<u>-</u>	<u>43,946</u>	<u>(5,513)</u>	<u>-</u>	<u>-</u>	<u>38,433</u>
Total restricted funds	<u>-</u>	<u>834,229</u>	<u>(1,271,089)</u>	<u>-</u>	<u>(473,000)</u>	<u>(909,860)</u>
Total of funds	<u>-</u>	<u>1,455,490</u>	<u>(1,408,427)</u>	<u>-</u>	<u>(473,000)</u>	<u>(425,937)</u>

16. Statement of funds (continued)

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

Unrestricted funds

Unrestricted funds represent those resources which may be used towards meeting any of the charitable objects of the Trust at the discretion of the directors. These funds are likely to be used for future expenditure associated with a staffing restructure to allow the Trust to take on additional schools, to restructure the management of the Teaching School provision and for contributions towards the cost of any successful CIF funded projects.

Restricted funds

This fund represents grants and other income received for the academy's operational activities and development.

Teaching school

A deficit of £33,198 (2016 - surplus of £37,876) was made on teaching school activities in the year, being £9,849 (2016 - surplus of £19,349) within restricted funds and £23,349 (2016 - surplus of £18,527) within unrestricted funds.

Pension reserve

The pension reserve included within restricted general funds represents the academy's share of the pension liability arising on the LGPS pension fund.

Restricted fixed asset funds

The fund represents grants received from the DfE and ESFA to carry out works of a capital nature.

Analysis of academies by fund balance

Fund balances at 31 August 2017 were allocated as follows:

	Total 2017 £	Total 2016 £
Manor Primary School	573,926	574,630
East Park Academy	292,495	-
Hill Avenue Academy	75,812	-
Total before fixed asset fund and pension reserve	942,233	574,630
Restricted fixed asset fund	8,076,508	38,433
Pension reserve	(3,834,000)	(1,039,000)
Total	5,184,741	(425,937)

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

16. Statement of funds (continued)

Analysis of academies by cost

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

	Teaching and educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciation £	Total 2017 £	Total 2016 £
Manor Primary School	1,477,767	246,500	139,363	545,088	2,408,718	1,402,914
East Park Academy	1,710,071	192,940	331,101	447,079	2,681,191	-
Hill Avenue Academy	619,210	70,724	46,654	188,452	925,040	-
	<u>3,807,048</u>	<u>510,164</u>	<u>517,118</u>	<u>1,180,619</u>	<u>6,014,949</u>	<u>1,402,914</u>

17. Analysis of net assets between funds

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted fixed asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	8,073,436	8,073,436
Current assets	928,569	789,097	3,072	1,720,738
Creditors due within one year	-	(775,433)	-	(775,433)
Provisions for liabilities and charges	-	(3,834,000)	-	(3,834,000)
	<u>928,569</u>	<u>(3,820,336)</u>	<u>8,076,508</u>	<u>5,184,741</u>

Analysis of net assets between funds - prior year

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	25,587	25,587
Current assets	483,923	320,188	18,159	822,270
Creditors due within one year	-	(229,481)	(5,313)	(234,794)
Provisions for liabilities and charges	-	(1,039,000)	-	(1,039,000)
	<u>483,923</u>	<u>(948,293)</u>	<u>38,433</u>	<u>(425,937)</u>

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

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

	2017 £	2016 £
Net income for the year (as per Statement of Financial Activities)	5,971,678	47,063
Adjustment for:		
Depreciation charges	166,063	5,513
Bank interest received	(575)	(267)
Increase in debtors	(212,773)	(120,026)
Increase in creditors	540,637	234,796
Capital grants from DfE/ESFA and other capital income	(146,824)	(3,795)
Defined benefit pension scheme obligation inherited	2,218,000	552,000
Defined benefit pension scheme cost less contributions payable	216,000	14,000
Assets transferred from local authority on conversion	(8,377,014)	(520,644)
Net cash provided by operating activities	375,192	208,640

19. Analysis of cash and cash equivalents

	2017 £	2016 £
Cash in hand	1,387,939	702,246
Total	1,387,939	702,246

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

20. Conversion to an academy trust

On 1 December 2016 East Park Academy and Hill Avenue Academy converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Manor Multi Academy Trust from Wolverhampton City Council for £NIL consideration.

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

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

	Unrestricted funds £	Restricted funds £	Restricted fixed asset funds £	Total funds £
Tangible fixed assets				
Leasehold land and buildings	-	-	7,727,189	7,727,189
- Other tangible fixed assets	-	-	129,581	129,581
Budget surplus on LA funds	439,599	-	39,812	479,411
Budget surplus on other school funds	36,590	-	-	36,590
LGPS pension deficit	-	(2,218,000)	-	(2,218,000)
Net assets/(liabilities)	<u>476,189</u>	<u>(2,218,000)</u>	<u>7,896,582</u>	<u>6,154,771</u>

The above net liabilities include £520,244 that were transferred as cash.

21. Capital commitments

At 31 August 2017 the academy had capital commitments as follows:

	2017 £	2016 £
Contracted for but not provided in these financial statements	<u>85,738</u>	<u>25,513</u>

22. Pension commitments

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

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 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%.

During the previous year the employer contribution rate was 14.1%. The TPS valuation for 2012 determined an employer rate of 16.4%, which was payable from September 2015. The next valuation of the TPS is currently underway based on April 2016 data, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £319,000 (2016 - £87,000).

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

22. Pension commitments (continued)

Under the definitions set out in 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 assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2017 was £308,000 (2016 - £14,000), of which employer's contributions totalled £249,000 (2016 - £14,000) and employees' contributions totalled £59,000 (2016 - £Nil). The agreed contribution rates for future years are 20.4% for employers and 5.5% - 12.5% for employees.

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

Principal actuarial assumptions:

	2017	2016
Discount rate for scheme liabilities	2.60 %	2.20 %
Rate of increase in salaries	4.20 %	3.75 %
Rate of increase for pensions in payment / inflation	2.70 %	2.00 %

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

	2017	2016
Retiring today		
Males	21.8 years	23.1 years
Females	24.3 years	25.8 years
Retiring in 20 years		
Males	24.0 years	25.3 years
Females	26.6 years	28.1 years

	At 31 August 2017 £	At 31 August 2016 £
Sensitivity analysis		
Discount rate +0.1%	(118,000)	(35,000)
Discount rate -0.1%	121,000	36,000
Mortality assumption - 1 year increase	142,000	32,000
Mortality assumption - 1 year decrease	(138,000)	(31,000)
CPI rate +0.1%	91,000	29,000
CPI rate -0.1%	(87,000)	(28,000)

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

22. Pension commitments (continued)

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

	Fair value at 31 August 2017 £	Fair value at 31 August 2016 £
Equities	400,000	120,000
Government bonds	47,000	14,000
Other bonds	24,000	17,000
Property	47,000	16,000
Cash/liquidity	32,000	13,000
Other	85,000	22,000
	<u>635,000</u>	<u>202,000</u>

The actual return on scheme assets was £59,000 (2016 - £28,000).

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

	2017 £	2016 £
Current service cost	(393,000)	(15,000)
Interest cost	(72,000)	(13,000)
	<u>(465,000)</u>	<u>(28,000)</u>
Actual return on scheme assets	<u>59,000</u>	<u>28,000</u>

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

	2017 £	2016 £
Opening defined benefit obligation	1,241,000	-
Liabilities assumed upon conversion	2,218,000	715,000
Current service cost	393,000	15,000
Interest cost	80,000	17,000
Employee contributions	59,000	-
Benefits paid	(9,000)	(3,000)
Actuarial losses	487,000	497,000
	<u>4,469,000</u>	<u>1,241,000</u>

Manor Multi Academy Trust
(A company limited by guarantee)

Notes to the financial statements
For the Year Ended 31 August 2017

22. Pension commitments (continued)

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

	2017 £	2016 £
Opening fair value of scheme assets	202,000	-
Upon conversion	-	163,000
Actuarial gains	75,000	-
Interest income	8,000	4,000
Employee contributions	59,000	-
Benefits paid	(9,000)	(3,000)
Employer contributions	249,000	14,000
Return on assets	51,000	24,000
	<hr/>	<hr/>
Closing fair value of scheme assets	635,000	202,000
	<hr/> <hr/>	<hr/> <hr/>

23. Operating lease commitments

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

	2017 £	2016 £
Amounts payable:		
Within 1 year	8,173	1,426
Between 1 and 5 years	13,873	940
	<hr/>	<hr/>
Total	22,046	2,366
	<hr/> <hr/>	<hr/> <hr/>

24. 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.

25. Related party transactions

No related party transactions took place in the period of account, other than certain trustees' remuneration and expenses already disclosed in note 11 and key management remuneration already disclosed in note 9.