

**Registered number: 09692191 (England & Wales)**

**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

**Annual Report and Financial Statements**

**For the period ended 31 August 2016**

**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

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**Reference and Administrative Details of the Academy, its Trustees and Advisers**  
**For the period ended 31 August 2016**

<b>Members</b>	Mr Chris Coyston Mr John Utting Mr David Lister
<b>Trustees</b>	Mr Chris Coyston, Chair Mr John Utting, Vice Chair Mr Graham Chisnell, Chief Executive <sup>1</sup> Miss Anne-Marie Middleton <sup>1</sup> Mrs Mandy Price Mr Jeremy King Mr Douglas Price Mr David Lister <sup>1</sup> Mr Rob Mugford (resigned 12 July 2016) Mrs Lynne Moore (resigned 12 July 2016) <sup>1</sup>
	<sup>1</sup> Member of the Finance Group
<b>Company registered number</b>	09692191
<b>Company name</b>	Veritas Multi Academy Trust
<b>Principal and registered office</b>	Warden House Primary School Birdwood Avenue Deal Kent CT14 9SF
<b>Company secretary</b>	Mrs Alison Moon
<b>Senior management team</b>	Mr Graham Chisnell, Principal Miss Anne - Marie Middleton, Deputy Principal Mrs Alison Moon, School Business Manager
<b>Independent auditors</b>	Williams Giles Chartered Accountants Registered Auditors 12 Conqueror Court Sittingbourne Kent ME10 5BH
<b>Bankers</b>	Lloyds Bank Plc Sandgate Road Folkestone Kent CT20 1RZ
<b>Solicitors</b>	Winkworth Sherwood LLP Minerva House 5 Montahue Close London SE1 9BB

**VERITAS MULTI ACADEMY TRUST**  
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**Trustees' Report**  
**For the period ended 31 August 2016**

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the 1 September 2015 to 31 August 2016. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The trust operates an academy for pupils aged 4 to 11 serving a catchment area in Deal. It has a pupil capacity of 420 and had a roll of 400 in the school census on 19 May 2016.

The academy trust was incorporated on 17 July 2016 and commenced trading on 01 September 2016 when Warden House Primary School joined the multi academy trust.

**Structure, governance and management**

**a. Constitution**

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

The charitable company's Memorandum and Articles of Association is the primary governing documents of the academy trust.

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

The charitable company was incorporated as Warden House Trust on 17 July 2016 and then changed their name to Veritas Multi Academy Trust on 11 October 2016

Details of the Trustees who served during the period 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.

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**Trustees' Report (continued)**  
**For the period ended 31 August 2016**

**c. Method of recruitment and appointment or election of Trustees**

Subject to articles 48-49 and 53, the Academy Trust shall have the following Trustees:

- a. Trustees appointed under Article 50; and
- b. the Executive Principal; and
- c. the Academy Trustee(s) appointed under Article 51; and
- d. any Executive Trustees appointed under Article 50AA;
- e. a minimum of 2 Parent Trustees if elected or appointed under Articles 53-56

The Academy Trust may also have any co-opted Trustee appointed under Article 58

The Trustees may appoint by ordinary resolution such number of Trustees as they see fit.

The Trustees may appoint Executive Trustees through such process as they may determine.

The total number of Trustees including the Executive Principal who are employees of the Academy Trust shall not exceed one third of the total number of Trustees.

Part of the MAT Growth Development Strategy Group's research is developing the governance structure, roles and responsibilities for Members, Trustees and Regional Governors along with developing an application process and succession planning.

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

All new Trustees will be given a tour of the academy(/academies) and the opportunity to meet with staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans, constitutional, guidance and other documents that they will need to undertake their role as trustee. Induction will be tailored specifically to the individual. Where necessary induction will provide training on charity and educational legal and financial matters. Formal induction ensures that all legal and strategic requirements are brought to the attention of the new trustee.

**e. Pay policy for key management personnel**

At present the Trust Board operate using the circle Model for School Governorship. As such they delegate financial decision making powers regarding pay to the Finance Group and the Principal who report directly to the Trust Board.

Decisions will be communicated to each member of staff by the Principal, in writing. Decisions on the pay of the Principal will be communicated by the chair of the Trust Board, in writing.

The strategy for setting the pay and remuneration of the key management personnel will be included as a discussion item for the MAT Growth Development Strategy Group

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**Trustees' Report (continued)**  
**For the period ended 31 August 2016**

**f. Organisational structure**

The Trust is undergoing a transitional phase where the Trust Board and Governing body is made up of the same individuals and meetings are run together with the first half dedicated to Trust matters and the second half dedicated to LGB matters. Separate minutes and agendas are issued for each to ensure clarity of the separate roles and responsibilities and to better prepare for the planned separation in due course.

The Trust Board meet to quality assure the key financial and strategic procedures across the trust. In particular during the year of reporting significant attention has been paid to the strategic development of the trust during the planned period of growth.

LGB matters focus on the strategic plan and financial responsibilities at school level – it is planned that this will move to a regional 'hub' style as the trust develops.

Governors have been responsible for setting policies, monitoring the quality of teaching and learning and reporting on the safeguarding and health & safety procedures in school. Appointments have also been the responsibility of the LGB. Work is underway to assess which policies, monitoring and appointments need to be presided at Trust level and which are appropriate to the developing Regional Governing Bodies.

At Warden House Primary School, for the year of reporting, the strategic leadership team comprised the Principal, Deputy-Principal and the School Business Manager. Consultation with the Trust Board has supported some staffing changes to allow for an additional post of Assistant Principal (from Sept 2016) to enable the Principal to progress the strategic element of his Executive role.

Spending controls are outlined in the Finance Policy that is monitored by the Finance Group. Internal audits of finances are undertaken by the nominated Responsible Officer and fed back the Trust Board to assure financial procedures in place are effective.

The Principal/Executive Principal is the Accounting Officer and meets regularly with the Chief Financial Officer/SBM; producing a quarterly monitoring report which is rigorously discussed at Finance Group Meetings and reported to the Trust Board.

**g. Connected organisations, including related party relationships**

The academy trust is not part of a wider network.

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**Trustees' Report (continued)**  
**For the period ended 31 August 2016**

**Objectives and Activities**

**a. Objects and aims**

The principal object and activity of the charitable company is the operation of the Academy Trust to provide education for pupils of different abilities between the ages of 5 and 11.

In accordance with the articles of association the charitable company has adopted a "Scheme of Government" approved by the Secretary of State for Education and Skills. The Scheme of Government specifies, amongst other things, the basis for admitting students to the Academy, the catchment area from which the students are drawn, and that the curriculum should comply with the substance of the national curriculum.

The core purpose of the Multi-Academy Trust is outlined in the following statement:

Our mission statement is 'irresistible learning for all'

Our ethos is encapsulated by three core values:

**Innovative**

Through strong collaboration across the Trust, our academies and staff uphold an **innovative** approach to staff development through a deep commitment to being research active. Through a positive and dynamic approach to research based pedagogy, staff across the Trust continuously reflect on their practice to create an environment where innovation leads to **irresistible learning for all**.

**Inclusive**

With a firm belief that as a Trust we are stronger together; we create an **inclusive** environment across our academies where staff and pupils feel emotionally and physically safe. Our academies are outward facing and create an environment where differences in gender, culture, disability and educational needs are embraced and celebrated; leading to **irresistible learning for all**.

**Inspirational**

Through inspirational leadership, teaching and learning; our academies create a climate where children, staff and parents strive to achieve and aspire for greatness. With strong collaborations we share practice and challenge one another using the principles of mentor-coaching to celebrate success and support improvement. High standards across a rich and diverse curriculum delivered in each academy leads to **irresistible learning for all** that is individual to each academy but reflects the shared ethos of the Trust.

**b. Objectives, strategies and activities**

The key objectives for the Multi-Academy trust for 2015/16 were:

1. **Assessment beyond levels** - Use the new assessment model to embed a shared understanding of deep learning in staff, children and parents; leading to purposeful tracking of learning that informs further opportunities for deep learning in reading, writing and maths.
2. **Subject Champion** - Develop the role of the Subject Champion through Thematic Learning Groups to ensure a clear progression of learning that underpins an irresistible curriculum.
3. **Fill the Gaps** - Strengthen a deepening understanding of SPAG, leading to a good level of attainment by end of year.
4. **Mentor-Coaching** - Develop a model of Mentor-Coaching across the school to embed our outstanding pedagogical practice.
5. **School to School Support** - Develop our School to School Support offer to share our outstanding practice with schools locally and nationally.

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**Trustees' Report (continued)**  
**For the period ended 31 August 2016**

**c. Public benefit**

The Multi Academy Trust trustees confirm that they have taken due regard to the guidance published by the Charities Commission concerning Public Benefit.

Trustees confirm that the primary objective of the Trust is to provide a good service to the general public. The management of and future planning of the Trust consistently considers how this objective will be met.

**Achievements and performance**

**1. Assessment beyond levels - Use the new assessment model to embed a shared understanding of deep learning in staff, children and parents; leading to purposeful tracking of learning that informs further opportunities for deep learning in reading, writing and maths.**

The school introduced a rigorous assessment procedure using moderated teacher assessment. As the new tests were not introduced until 2016 the internal tracking was not aligned to the new tests prior to their release in May 2016. The curriculum teams are now aware of how our assessments align to the new tests, as a result, the teams are now ensuring our assessments are driving forward teaching and learning to ensure future pupils achieve well. Intervention groups have been set to ensure vulnerable groups are making strong progress, this has included the introduction of team Provision Maps for SEND children.

The school leadership has a strong understanding of the new standards. They recognise that attainment by end of KS2 was below national expectations in 2016 and have clearly demonstrated they understand why targeted children did not reach the standard. As a result of the analysis of data, the leadership has built in new assessment systems, including a small-step assessment system for SEND children to ensure progress is tracked over time and teachers are held to account for strong progress for all pupils.

Strong professional development for staff has led to individual and staff teams being trained to ensure assessments are moderated so pupil's knowledge and understanding is challenged. This has led to a stronger understanding of the level of expectation for children across the school.

**2. Subject Champion - Develop the role of the Subject Champion through Thematic Learning Groups to ensure a clear progression of learning that underpins an irresistible curriculum.**

A cycle of curriculum reviews has been carried out including; science, computing, RE and PE. The review cycle for science was also reviewed a part of the local collaboration monitoring visits and affirmed strong practice in science across the school. Through strong mentoring, middle leaders have improved as managers and leaders, with one subject leader being promoted to a senior leadership post at the school.



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**Trustees' Report (continued)**  
**For the period ended 31 August 2016**

**Achievements and performance - cont'd**

**3. Fill the Gaps - Strengthen a deepening understanding of GPS (Grammar, Punctuation & Spelling), leading to a good level of attainment by end of KS2**

A staff audit of skills and knowledge in GPS was undertaken, this has impacted across eleven primary schools and the audit led to a targeted training session for TAs across the DLA. In 2016 the difference between attainment in GPS and reading have diminished. Staff at the school have been up-skilled in understanding the new standards for GPS. Writing progress was very strong (progress score of 0.5) this demonstrated a strong use of GPS, writing was moderated by the LA and affirmed strong and accurate assessment by the school staff. Book scrutiny and moderation activities across the school and across schools have led to strong progress evidenced in books for GPS and writing. Attainment at end of KS2 46% which is significantly below in attainment compared to the national average of 72%. Based on the internal tracking data, the difference in attainment is diminishing and the leadership has robust systems in place to ensure a rising attainment in 2017. Combined reading, writing and maths figures are 41% with national 66%). When looking at analysis of data, children currently below ARE (Age Related Expectation) in combined have been targeted and will form a Key Objective for 2016-17. The performance data demonstrates that there is an improving trend across the year groups.

**4. Mentor-Coaching - Develop a model of Mentor-Coaching across the school to embed our outstanding pedagogical practice.**

The senior team have all been trained in Mentor-Coaching skills. These have been utilised to lead book scrutinise sessions with staff, enabling consistent monitoring of the quality of work in books. Governors have been in attendance at these meetings and affirmed the rigor in the process of challenging teachers and supporting practice.

Review meetings have been used to drill down in the skills and understanding of reading comprehension, through strong questioning staff have been challenged and practice has improved as a result. Staff have been empowered through the process of mentor-coaching as the process allows staff to take deeper ownership of their own development. Feedback from staff who have undertaken mentor-coaching has been very positive and staff feel their practice has been moved on as a result. Marshalling meetings has also affirmed that practice across the school is consistently strong with all teachers' practice being at least good.

**5. School to School Support - Develop our School to School Support offer to share our outstanding practice with schools locally and nationally.**

Formal support offered by the trust has included the CEO undertaking commissioned support for three primary schools beyond the trust in his role as National Leader of Education; supporting leaders in data analysis and strategic planning. Through the role of National Support School, Warden House has supported a range of schools beyond the trust in special needs training. The CEO has delivered a workshop for Christ Church University for school mentors and has organised a teach meet in support of teachers in their first three years of teaching.

Senior staff have presented at the Kent Headteacher Conference leading to support for a range of schools beyond the trust in spelling and writing skills. The trust has also become a member of the Cambridge Primary Review Trust as a research active school, sharing a number of research projects both locally and nationally.

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**Trustees' Report (continued)**  
**For the period ended 31 August 2016**

**a. Key financial performance indicators**

The academy's 'Outstanding' OFSTED grade has impacted popularity; resulting in an increase to roll numbers from 380 to 400 year on year. This trend will continue into the next financial year with the admission of a new bulge class in the EYFS from Sept 2016.

Partnership with the Local Authority has successfully achieved a buildings renovation project to make way for the bulge class. (Two classrooms developed leaving the potential of a further bulge class in the future if appropriate).

Small scale staff restructuring has provided support for the growth development of the trust, in particular to develop strategies to improve assessment and systems that may be developed trust wide focussing on the key objectives set and including the development of our school to school support offer. New appointments have also been made allied to increased pupil numbers.

Prudent planning and rigorous monitoring procedures have resulted in the year-end financial position concluding very close to that forecast at the budget setting stage.

**Financial review**

The principal source of funding comes in the form of government grants as set out in the General Annual Grant Statement issued by the EFA. Additional funds are delegated by the Local Authority in order for the Trust to offer a range of provisions for example SEN and FLO. New sources of funding have come from accreditation as NLE/NSS (National Leader of Education/National Support School) and partnering with the Local Authority on a building project linked to an increased intake.

The trust invests in the training of staff and there is significant research being undertaken and new practices such as mentor coaching; in pursuit of achieving the key objectives. Staff restructuring, increasing the senior leadership team in particular, is intended to impact directly on introducing new systems for assessment and to enable the development of the School to School support offer impacting education standards in the wider locality. These developments have been introduced during the year with impact expected more fully in the next year of reporting.

**a. Going concern**

After making appropriate enquiries, the board of trustees, through the finance group 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.

**b. Principal risks and uncertainties**

Warden House Primary School as the only school in the Multi-Academy Trust has undertaken a company risk assessment and has in place a Business Disaster Recovery Plan that outlines the procedures to maintain the business in a disaster. Risks include equipment, documents, facilities, security, public relations and data recovery. The Local Governing Body in each academy within the MAT is responsible for ensuring each academy adheres to the effective financial management and reports any financial risks to the Multi-Academy Trust Board.

Challenges faced by the trust include the financial cost of developing trust wide systems while still operating as a single academy with funding delegated as a single academy. It will be imperative to proceed with the MAT growth development strategy in order to stave off a deficit position by year 3.

What are assessed to be sufficiently healthy reserves are proving problematic in securing necessary capital funding with which to ensure the future sustainability of academy property.

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**Trustees' Report (continued)**  
**For the period ended 31 August 2016**

**c. Reserves policy**

The governors review the reserve levels of the Academy annually. This review encompasses the nature of income and expenditure streams, the need to match income with commitments and the nature of reserves. The governors have determined that the appropriate level of free reserves should be equivalent to 4 weeks expenditure. The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. The academy's current level of free reserves (total funds less the amount held in fixed assets and restricted funds) is £338,565

**d. Material investments policy**

The Finance Group has been delegated the responsibility of allocating reserves to a 32 day deposit account with Lloyds. This is present in the Finance Policy and currently £60,383 is invested.

**Plans for future periods**

The trustees have continued to develop their experience with MAT governance since the original conversion to academy status and the subsequent setting up of our own MAT. Significant research is now underway in relation to the future development of the trust.

The Trust Business Manager has been accredited as a Fellow of the NASBM (National Association of School Business Management) and the development of central service provision will follow their Professional Standards.

Business planning to enhance the future growth of the trust, will include an application to become an academy sponsor. Income Generation Planning will be embedded in our financial strategy.

As a growing Multi Academy Trust we propose a centralised finance and HR team, in addition we would look to other efficiencies including middle leadership, social/safeguarding, emotional wellbeing and site management. These would be funded through a combination of top-slicing and bought in services from academies. Staffing structures would be reviewed for academies when there is a change in senior leadership to allow for executive headship across groups of schools.

Our vision is to support academies to join the trust, enabling an infrastructure where the MAT can build a robust group of academies to support a sponsored academy. Academies will be primary phase as this reflects the skill set and expertise of existing trust staff, members and trustees.

As a National Support School we have been commissioned to support a number of schools in our locality. Initially, as our experience is with primary schools, we would support primary or special schools with primary cohorts.

Our initial business plan looks to forming a local hub of schools in the locality, assisting them to convert into our MAT and growing an infrastructure linked to our role as a National Support School. We will then be in a position to welcome a sponsored academy into the MAT with the potential to offer wide and rigorous support for the academy to improve. Geographically, we will draw academies across East Kent, with the ability to maintain a geographical connection to the academies across the trust.

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**Trustees' Report (continued)**  
**For the period ended 31 August 2016**

**Disclosure of information to auditors**

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that, so far as that Trustee is aware:

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

This report was approved by order of the board of trustees, through the finance group as the company directors, on 8 December 2016 and signed on its behalf by:

**Mr Chris Coyston**  
**Chair of Trustees**



**Mr Graham Chisnell**  
**Accounting Officer**



**VERITAS MULTI ACADEMY TRUST**  
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**Governance Statement**

**Scope of Responsibility**

As trustees, we acknowledge we have overall responsibility for ensuring that Veritas 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, through the finance group has delegated the day-to-day responsibility to the Principal, as Accounting Officer, for ensuring financial controls conform with the requirements of both propriety and good financial management and in accordance with the requirements and responsibilities assigned to it in the funding agreement between Veritas Multi Academy Trust and the Secretary of State for Education. They are also responsible for reporting to the board of trustees, through the finance group 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, through the finance group has formally met 7 times during the Period. Attendance during the Period at meetings of the board of trustees, through the finance group was as follows:

Trustee	Meetings attended	Out of a possible
Mr Chris Coyston, Chair	6	7
Mr John Utting, Vice Chair	5	7
Mr Graham Chisnell, Chief Executive	6	7
Miss Anne-Marie Middleton	7	7
Mrs Mandy Price	7	7
Mr Jeremy King	6	7
Mr Douglas Price	4	7
Mr David Lister	5	7
Mr Rob Mugford	3	7
Mrs Lynne Moore	5	7

The term of office has expired for Mr R Mugford and Mrs L Moore. The Board has decided to assess the need and method of recruitment of vacant positions as part of the MAT Growth Development Strategy. (See Governance reviews below). A skills audit has been undertaken and the board has elected to remove the requirement for parent trustees, moving instead to a board elected based on experience and skills. (Parents will be invited to apply but being a parent will not be pre-requisite). Outside the trust board the opportunity for the parent voice to be heard will occur via the Regional Governing Body and or advisory groups.

Planning is underway to assess the appropriate time for the Trust Board and LGB to separate in line with MAT growth. Vacancies will occur through natural wastage allowing for integration of new trustees/governors from incoming schools.

An emergency meeting took place to discuss a Local Authority request to temporarily increase the PAN at Warden House Primary School to incorporate a bulge class in EYFS.

**Governance reviews:**

As a new multi-academy trust board with a single academy under its remit, trustees are fully aware of the significant responsibilities during a period of growth and development. A skills audit has been undertaken and training is on-going to ensure that skills gaps are filled. The Company Secretary has also attended training. A MAT Growth Development Strategy Group has been tasked specifically to focus on the future development of the trust. Significant research has been undertaken to devise the structure for governance and central services (including all areas associated with finance/audit, HR (contracts/pensions), marketing, procurement, infrastructure and standards). Core documents have been written including (but not limited to) ethos & values, business planning and risk management, marketing literature.

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**Governance Statement (continued)**

The MAT Growth Development Strategy Group identified during the 15-16 year the need to re-brand and the trust name has subsequently been changed from 'Warden House Trust' to 'Veritas Multi Academy Trust'.

Internal review has taken place during the development of our sponsor application.

External review has taken place in the form of an OFSTED governance survey visit. (As an establishment fitting the criteria of a coastal school rising 2 OFSTED grades). Individual reports were not issued but the research is due to be published autumn 2016. Feedback from the inspector included the following:

- The governing body systematically monitors the quality of provision and rigorously holds the school leadership to account.
- Governors are an integral part of the leadership of the school.
- There is a positive relationship between leadership and governance at the school.
- The short term plan is rigorous and keeps the governors confidently on track.
- Governors have a strong understanding about the quality of teaching across the school.

The Finance Group is a sub-committee of the main board of trustees, through the finance group. Its purpose is to preside over the financial management of the trust, ensuring that adequate controls are in place to protect the public funds awarded to the trust along with privately raised funds. The group carry out monitoring procedures to identify over-spends/anomalies and discuss appropriate action if required.

Key policies are reviewed by the group. Work is currently underway to assess the roles and responsibilities for reviewing policy and monitoring practice at trust board and regional governing body level.

Mr David Lister with a background in the financial services industry chairs this group.

Attendance at meetings in the Period was as follows:

Trustee	Meetings attended	Out of a possible
Mr David Lister	5	5
Mrs Lynne Moore	4	5
Mr Graham Chisnell	5	5
Miss Anne-Marie Middleton	5	5
Mrs Alison Moon (SBM)	5	5

It has been identified that as a growing trust and audit committee will be required, however at present the internal audit function is carried out by a Responsible Office who carries out a minimum of 3 visits during the year.

Attendance at meetings in the Period was as follows:

Trustee	Meetings attended	Out of a possible
Mr John Utting	3	3
Mrs Alison Moon (SBM/CFO)	3	3
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### **Review of Value for money**

As Accounting Officer, the Principal has responsibility for ensuring that the academy 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 academy's use of its resources has provided good value for money during each academic year, and reports to the board of trustees, through the finance group where value for money can be improved, including the use of benchmarking data where appropriate. The Accounting Officer for the academy has delivered improved value for money during the year by:

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**Governance Statement (continued)**

Depicted in the DfE's Financial Efficiencies Metric Tool, Warden House Primary School is delivered a Value Added score of 100.6. The Value Added score is a measure of the relative progress of all pupils in relation to the funding provided to the school with the average being 100. (This measure has since been replaced with other progress measures). The school sits in an efficiency decile of 3 in relation to a sample of 50 schools with a similar profile. This would suggest that out of those 50 schools WHPS is operating more efficiently than 35. The data within the tool is lagging in date; however it provides an indication of the school's effectiveness generally.

Procurement contracts are always considered in line with the Finance Policy ensuring best value principles are applied.

Forecasting is carried out, taking into account anticipated changes to pupil roll numbers in order to maintain continuity in staffing and resources to support the best provision for all students.

Income generation planning is also effectively nurturing partnerships with stakeholders in the community to develop funding opportunities such as the development of a newly refurbished year 6 unit funded by the Local Authority.

The introduction of a staff development and appraisal portal has ignited the path for learning for all staff; embracing research based practice in all disciplines. This is ensuring that staff are suitably qualified/trained and supported to provide the best educational outcomes. It also reduces the need to buy in consultants and the element of challenge has encouraged staff to push their boundaries.

Overall staff costs per pupil have reduced from £3,575 to £3,448 on the prior year.

Total per pupil costs have reduced over the year from £4,741 to £4,430.

#### **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 academy 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 Veritas Multi Academy Trust for the Period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

#### **Capacity to Handle Risk**

The board of trustees, through the finance group has reviewed the key risks to which the academy is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The board of trustees, through the finance group is of the view that there is a formal ongoing process for identifying, evaluating and managing the academy's significant risks, that has been in place for the Period 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the board of trustees, through the finance group.

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**Governance Statement (continued)**

**The Risk and Control Framework**

The academy'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, through the finance group;
- regular reviews by the Finance Group 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, through the finance group has considered the need for a specific internal audit function and has decided to appoint Mr John Utting as internal auditor.

The responsible officer's role includes performing a range of checks on the academy's financial systems. On at least a three times per year basis, the responsible officer reports to the board of trustees, through the finance group on the operation of the systems of control and on the discharge of the board of trustees, through the finance group on the operation of the systems of control and on the discharge of the board of trustees' financial responsibilities.

In particular the checks carried out in the current period included:

- testing of payroll systems – New starter, Leaver and contract changes are checked at random ensuring payroll is correct and that statutory employment functions (such as 'Right to work in the UK' checks) are undertaken.
- testing of purchase systems – random checks are carried out following through purchases right through to payment and bank reconciliation
- testing of control account/ bank reconciliations – checks are made choosing bank (and purchase card) transactions on a random basis, checking authorisations and compliance with Finance Policy.

**Review of Effectiveness**

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

- the work of the responsible officer;
- the work of the external auditors;
- the research undertaken by the SBM/Co.Sec in relation to governance structures and trust central service provision.
- the executive managers within the academy 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 CFO/Finance Group and will ensure continuous improvement of the system is in place.

Approved by order of the members of the board of trustees, through the finance group on 8 December 2016 and signed on their behalf, by:

**Mr Chris Coyston**  
**Chair of Trustees**



**Mr Graham Chisnell**  
**Accounting Officer**





**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

**Statement on Regularity, Propriety and Compliance**

As Accounting Officer of Veritas Multi Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the 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 2015.

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 2015.

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 EFA.



**Mr Graham Chisnell**  
**Accounting Officer**

Date: 8 December 2016

**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

**Statement of Trustees' Responsibilities**  
**For the period ended 31 August 2016**

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies' Accounts Direction 2015 to 2016;
- 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 the EFA/DfE have been applied for the purposes intended.

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

Approved by order of the members of the board of trustees, through the finance group on 8 December 2016 and signed on its behalf by:



**Mr Chris Coyston**  
**Chair of Trustees**

**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

**Independent Auditors' Report on the Financial Statements to the Members of Veritas Multi Academy Trust**

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

This report is made solely to the charitable company'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 charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinion we have formed.

**Respective responsibilities of Trustees and auditors**

As explained more fully in the 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.

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

**Scope of the audit of the financial statements**

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

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 August 2016 and of its incoming resources and application of resources, including its income and expenditure, for the Period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2015 to 2016 issued by the Education Funding Agency.

**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

**Independent Auditors' Report on the Financial Statements to the Members of Veritas Multi Academy Trust**

**Opinion on other matter prescribed by the Companies Act 2006**

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

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.



Alyson Howard FCCA DChA CF (Senior statutory auditor)

for and on behalf of

**Williams Giles**

Chartered Accountants  
Registered Auditors

12 Conqueror Court  
Sittingbourne  
Kent

ME10 5BH

Date: 15 December 2016

**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

**Independent Reporting Auditors' Assurance Report on Regularity to Veritas Multi Academy Trust and the Education Funding Agency**

In accordance with the terms of our engagement letter dated 21 March 16 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Veritas Multi Academy Trust during the Period 1 September 2015 to 31 August 2016 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 Veritas Multi Academy Trust and the EFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Veritas Multi Academy Trust and the EFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Veritas Multi Academy Trust and the EFA, for our work, for this report, or for the conclusion we have formed.

**Respective responsibilities of Veritas Multi Academy Trust's accounting officer and the reporting auditors**

The accounting officer is responsible, under the requirements of Veritas Multi Academy Trust's funding agreement with the Secretary of State for Education dated 12 August 2015, and the Academies Financial Handbook extant from 1 September 2015, 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 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the Period 1 September 2015 to 31 August 2016 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 2015 to 2016 issued by the EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

**Independent Reporting Auditors' Assurance Report on Regularity to Veritas Multi Academy Trust and the  
Education Funding Agency (continued)**

**Conclusion**

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the Period 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Alyson Howard FCCA DChA CF (Senior statutory auditor)

for and on behalf of

**Williams Giles**

Chartered Accountants  
Registered Auditors

12 Conqueror Court  
Sittingbourne  
Kent  
ME10 5BH

Date: 15 December 2016

**VERITAS MULTI ACADEMY TRUST**  
(A company limited by guarantee)

**Statement of Financial Activities Incorporating Income and Expenditure Account**  
**For the period ended 31 August 2016**

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
<b>Income from:</b>					
Donations and capital grants	2	270,541	(517,251)	2,848,730	2,602,020
Charitable activities	3	-	1,674,241	-	1,674,241
Other trading activities	4	96,061	-	-	96,061
Investments	5	698	-	-	698
<b>Total income</b>		<b>367,300</b>	<b>1,156,990</b>	<b>2,848,730</b>	<b>4,373,020</b>
<b>Expenditure on:</b>					
Raising funds	6	30,473	-	-	30,473
Charitable activities		-	1,782,877	163,843	1,946,720
<b>Total expenditure</b>	9	<b>30,473</b>	<b>1,782,877</b>	<b>163,843</b>	<b>1,977,193</b>
<b>Net income / (expenditure) before transfers</b>		<b>336,827</b>	<b>(625,887)</b>	<b>2,684,887</b>	<b>2,395,827</b>
Transfers between Funds	19	-	(41,375)	41,375	-
<b>Net income / (expenditure) before other recognised gains and losses</b>		<b>336,827</b>	<b>(667,262)</b>	<b>2,726,262</b>	<b>2,395,827</b>
Actuarial losses on defined benefit pension schemes	24	-	(540,000)	-	(540,000)
<b>Net movement in funds</b>		<b>336,827</b>	<b>(1,207,262)</b>	<b>2,726,262</b>	<b>1,855,827</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		-	-	-	-
<b>Total funds carried forward</b>		<b>336,827</b>	<b>(1,207,262)</b>	<b>2,726,262</b>	<b>1,855,827</b>

**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**  
**Registered number: 09692191**

**Balance Sheet**  
**As at 31 August 2016**

	Note	£	2016 £
Tangible assets	16		2,726,262
<b>Current assets</b>			
Debtors	17	232,510	
Cash at bank and in hand		244,055	
		476,565	
<b>Creditors: amounts falling due within one year</b>	18	(138,000)	
<b>Net current assets</b>			338,565
<b>Total assets less current liabilities</b>			3,064,827
Defined benefit pension scheme liability	24		(1,209,000)
<b>Net assets including pension scheme liabilities</b>			1,855,827
<b>Funds of the academy</b>			
Restricted income funds:			
Restricted income funds	19	1,738	
Restricted fixed asset funds	19	2,726,262	
Restricted income funds excluding pension liability		2,728,000	
Pension reserve		(1,209,000)	
Total restricted income funds			1,519,000
Unrestricted income funds	19		336,827
<b>Total funds</b>			1,855,827

The financial statements were approved by the Trustees, and authorised for issue, on 8 December 2016 and are signed on their behalf, by:

**Mr Chris Coyston**  
**Chair of Trustees**



**Mr Graham Chisnell**  
**Accounting Officer**



The notes on pages 24 to 41 form part of these financial statements.



**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

**Statement of Cash Flows**  
**For the period ended 31 August 2016**

	Note	2016 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	21	(25,816)
<b>Cash flows from investing activities:</b>		
Dividends, interest and rents from investments		698
Purchase of tangible fixed assets		(139,728)
Capital grants from DfE/EFA		98,353
Cash introduced on transfer to multi academy trust		310,548
<b>Net cash provided by investing activities</b>		<b>269,871</b>
<b>Change in cash and cash equivalents in the Period</b>		<b>244,055</b>
Cash and cash equivalents brought forward		-
<b>Cash and cash equivalents carried forward</b>	22	<b>244,055</b>

**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

**Notes to the Financial Statements**  
**For the period ended 31 August 2016**

**1. Accounting Policies**

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

**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 2015 to 2016 issued by EFA, the Charities Act 2011 and the Companies Act 2006.

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

**1.2 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 the Department for Education 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 and include grants from the Department for Education.

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

General Annual Grant is recognised in full in the Statement of financial activities incorporating income and expenditure account in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised when there is entitlement and are not deferred over the life of the asset on which they are expended. Unspent amounts of capital grant are reflected in the balance in the restricted fixed asset fund.

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

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

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

**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

**Notes to the Financial Statements**  
**For the period ended 31 August 2016**

**1. Accounting Policies (continued)**

**1.4 Expenditure**

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

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

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

All resources expended are inclusive of irrecoverable VAT.

**1.5 Going concern**

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the academy to continue as a going concern. The Trustees make this assessment in respect of a period of 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..

**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

**Notes to the Financial Statements**  
**For the period ended 31 August 2016**

**1. Accounting Policies (continued)**

**1.6 Tangible fixed assets and depreciation**

All assets costing more than £1,000 are capitalised.

Where tangible fixed assets have been acquired with the aid of specific grants, either from the government or from the private sector, they are included in the Balance sheet at cost and depreciated over their expected useful economic life. 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.

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.

Long-Term leasehold property transferred to the academy trust is held at cost of the buildings, as per EFA valuation on the original conversion, less depreciation to date calculated on a straight line basis over the term of the lease. No land element has been included in the financial statements.

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

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

Long-term leasehold property	-	4% Straight line
Motor vehicles	-	10% Straight line
Fixtures and fittings	-	10% Straight line
Computer equipment	-	20% Straight line

**1.7 Interest receivable**

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the academy; this is normally upon notification of the interest paid or payable by the Bank.

**1.8 Operating leases**

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

**1.9 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.

**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

**Notes to the Financial Statements**  
**For the period ended 31 August 2016**

**1. Accounting Policies (continued)**

**1.10 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.

**1.11 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the academy 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.

**1.12 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.

**1.13 Pensions**

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

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 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 24, 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.

**VERITAS MULTI ACADEMY TRUST**  
**(A company limited by guarantee)**

**Notes to the Financial Statements**  
**For the period ended 31 August 2016**

**1. Accounting Policies (continued)**

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.

**1.14 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 24, 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 August 2016 has been used by the actuary in valuing the pensions liability at 31 August 2016. 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.

**VERITAS MULTI ACADEMY TRUST**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the period ended 31 August 2016

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

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Donations transferred from previous multi academy trust	249,289	(517,251)	2,750,377	2,482,415
Donations	21,252	-	-	21,252
Devolved formula funding	-	-	8,253	8,253
Capital grants	-	-	90,100	90,100
<b>Total donations and capital grants</b>	<b>270,541</b>	<b>(517,251)</b>	<b>2,848,730</b>	<b>2,602,020</b>

**3. Funding for Academy's educational operations**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
<b>DfE/EFA grants</b>			
General Annual Grant	-	1,441,188	1,441,188
Pupil premium	-	176,551	176,551
Other DfE/EFA grants	-	15,630	15,630
	-	1,633,369	1,633,369
<b>Other government grants</b>			
Other government grants	-	40,872	40,872
	-	40,872	40,872
	-	1,674,241	1,674,241

**4. Other trading activities**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Hire of facilities	10,541	-	10,541
School trip income	38,376	-	38,376
Departmental income	47,144	-	47,144
	96,061	-	96,061

**VERITAS MULTI ACADEMY TRUST**  
(A company limited by guarantee)

**Notes to the Financial Statements**  
For the period ended 31 August 2016

**5. Investment income**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
Interest received	698	-	698
	<u>698</u>	<u>-</u>	<u>698</u>

**6. Voluntary income**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £
School trip expenditure	30,473	-	30,473
	<u>30,473</u>	<u>-</u>	<u>30,473</u>

**7. Direct costs**

	Activities £	Total 2016 £
Educational supplies	66,409	66,409
Staff development	2,662	2,662
Educational consultancy	14,277	14,277
Agency supply	11,229	11,229
Wages and salaries	661,053	661,053
National insurance	48,450	48,450
Pension cost	103,341	103,341
	<u>907,421</u>	<u>907,421</u>



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**8. Support costs**

	Activities	Total 2016
LGPS costs	23,000	23,000
Recruitment and support costs	3,832	3,832
Maintenance of premises and equipment	31,565	31,565
Cleaning	7,343	7,343
Rent and rates	8,574	8,574
Energy costs	21,625	21,625
Insurance	9,250	9,250
Security and transport	2,681	2,681
Catering costs	76,115	76,115
Printing, postage and stationary	9,288	9,288
Other support costs	56,339	56,339
Legal and professional	21,143	21,143
Governance costs	9,995	9,995
Wages and salaries	442,748	442,748
National insurance	32,451	32,451
Pension cost	122,264	122,264
Depreciation	161,086	161,086
	<u>1,039,299</u>	<u>1,039,299</u>

**9. Expenditure**

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £
Expenditure on raising voluntary income	-	-	30,473	30,473
Activities:				
Direct costs	812,844	-	94,577	907,421
Support costs	597,463	192,651	249,185	1,039,299
	<u>1,410,307</u>	<u>192,651</u>	<u>374,235</u>	<u>1,977,193</u>

In 2016, of the total expenditure, £30,473 was to unrestricted funds and £1,946,720 was to restricted funds.

**10. Net incoming resources/(resources expended)**

This is stated after charging:

	2016 £
Depreciation of tangible fixed assets:	
- owned by the charity	161,086
Auditors remuneration	9,625
	<u>170,711</u>

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**11. Auditors' remuneration**

	2016 £
Fees payable to the academy's auditor and its associates for the audit of the academy's annual accounts	6,750
Fees payable to the academy's auditor and its associates in respect of:	
Audit-related assurance services	250
All other non-audit services not included above	1,850
	2016 £
Fees payable to the academy's auditor and its associates in connection with the academy's pension scheme(s) in respect of:	
The auditing of accounts of the scheme(s)	775

**12. Staff costs**

Staff costs were as follows:

	2016 £
Wages and salaries	1,103,801
Social security costs	80,901
Operating costs of defined benefit pension schemes	225,605
	1,410,307

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

	2016 No.
Teachers	18
Support	43
Management	3
	64

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

	2016 No.
In the band £70,001 - £80,000	1

The key management personnel of the academy trust comprise of the trustees and the senior management 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 £31,099

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**13. Trustees' remuneration and expenses**

One or more Trustees has been paid remuneration or has received other benefits from an employment with the academy trust. The Principal and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of principal and other staff members under their contracts of employment, and not in respect of their role as Trustees, The value of Trustees' remuneration and other benefits was as follows:

		2016 £
Mr Graham Chisnell	Remuneration	75,000-80,000
	Pension contributions paid	10,000-15,000
Miss Anne-Marie Middleton	Remuneration	50,000-55,000
	Pension contributions paid	5,000-10,000

During the Period, no Trustees received any benefits in kind.

During the Period ended 31 August 2016, expenses totalling £1,202 were reimbursed to 2 Trustees.

**14. 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 an unlimited level of cover. It is not possible to quantify the Trustees and officers indemnity element from the overall cost of the RPA scheme.

**15. Other finance income**

	2016 £
Interest income on pension scheme assets	32,000
Interest on pension scheme liabilities	(55,000)
	(23,000)
	(23,000)

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**16. Tangible fixed assets**

	Leasehold property £	Fixtures and fittings £	Computer equipment £	Assets under construction £	Total £
<b>Cost</b>					
Additions	17,197	20,956	11,475	90,100	139,728
Disposals	-	(200)	(2,900)	-	(3,100)
Transferred to multi academy trust	2,486,877	211,628	51,872	-	2,750,377
At 31 August 2016	<u>2,504,074</u>	<u>232,384</u>	<u>60,447</u>	<u>90,100</u>	<u>2,887,005</u>
<b>Depreciation</b>					
Charge for the Period	110,894	29,923	20,269	-	161,086
On disposals	-	(53)	(290)	-	(343)
At 31 August 2016	<u>110,894</u>	<u>29,870</u>	<u>19,979</u>	<u>-</u>	<u>160,743</u>
<b>Net book value</b>					
At 31 August 2016	<u>2,393,180</u>	<u>202,514</u>	<u>40,468</u>	<u>90,100</u>	<u>2,726,262</u>

The above transfer was the leasehold property at Warden Primary School to the trust at a residual value of £2,486,877, as originally valued by The EFA, over a remaining term of 122 years.

**17. Debtors**

	2016 £
Trade debtors	4,197
Other debtors	94,436
Prepayments and accrued income	133,877
	<u>232,510</u>

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

	2016 £
Trade creditors	46,429
Other taxation and social security	23,104
Other creditors	22,611
Accruals and deferred income	45,856
	<u>138,000</u>

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**18. Creditors: Amounts falling due within one year (continued)**

	<b>£</b>
<b>Deferred income</b>	
Deferred income at 1 September 2015	-
UIFSM deferred in year	23,325
Trip income deferred in year	1,887
	25,212
Deferred income at 31 August 2016	25,212

**19. Statement of funds**

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
<b>Unrestricted funds</b>						
General Funds - all funds	-	367,300	(30,473)	-	-	336,827
	-	367,300	(30,473)	-	-	336,827
<b>Restricted funds</b>						
General Annual Grant (GAG)	-	1,441,188	(1,398,075)	(41,375)	-	1,738
Pupil Premium	-	176,551	(176,551)	-	-	-
Other DfE/EFA Grants	-	15,630	(15,630)	-	-	-
Other Government Grants	-	40,872	(40,872)	-	-	-
Donations on transfer	-	89,749	(89,749)	-	-	-
Pension reserve	-	(607,000)	(62,000)	-	(540,000)	(1,209,000)
	-	1,156,990	(1,782,877)	(41,375)	(540,000)	(1,207,262)
	-	1,156,990	(1,782,877)	(41,375)	(540,000)	(1,207,262)
<b>Restricted fixed asset funds</b>						
Assets held for depreciation	-	-	(163,843)	2,890,105	-	2,726,262
Assets transferred	-	2,750,377	-	(2,750,377)	-	-
Devolved formula funding	-	8,253	-	(8,253)	-	-
KCC Capital grant	-	90,100	-	(90,100)	-	-
	-	2,848,730	(163,843)	41,375	-	2,726,262
	-	2,848,730	(163,843)	41,375	-	2,726,262
<b>Total restricted funds</b>	-	4,005,720	(1,946,720)	-	(540,000)	1,519,000
	-	4,005,720	(1,946,720)	-	(540,000)	1,519,000
<b>Total of funds</b>	-	4,373,020	(1,977,193)	-	(540,000)	1,855,827
	-	4,373,020	(1,977,193)	-	(540,000)	1,855,827

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

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

Unrestricted funds are applied to the general work of the academy to support activities inside and outside the curriculum.

Restricted funds are applied specifically in accordance with the rules of each grant and support the education provision delivered by the academy.

Restricted fixed asset funds are applied to the maintenance and improvement of all the academy's fixed assets.

Under the funding agreement with the Secretary of State, the academy was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2016.

**20. Analysis of net assets between funds**

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £
Tangible fixed assets	-	-	2,726,262	2,726,262
Current assets	336,827	139,738	-	476,565
Creditors due within one year	-	(138,000)	-	(138,000)
Provisions for liabilities and charges	-	(1,209,000)	-	(1,209,000)
	<u>336,827</u>	<u>(1,207,262)</u>	<u>2,726,262</u>	<u>1,855,827</u>

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

	2016 £
Net income for the year (as per Statement of financial activities)	2,395,827
<b>Adjustment for:</b>	
Depreciation charges	161,086
Dividends, interest and rents from investments	(698)
Loss on the sale of fixed assets	2,757
Increase in debtors	(66,988)
Increase in creditors	968
Capital grants from DfE and other capital income	(98,353)
Defined benefit pension scheme finance cost	62,000
Net gain on assets and liabilities on transfers to multi academy trust	(2,482,415)
<b>Net cash used in operating activities</b>	<u>(25,816)</u>

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**22. Analysis of cash and cash equivalents**

	2016 £
Cash in hand	244,055
Total	244,055

**23. Transfer from old multi academy trust**

On 1 September 2015 Warden House Primary School transferred to the Veritas Multi Academy Trust and all the operations and assets and liabilities were transferred from Castle Community Trust 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 multi academy trust

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				
- Freehold/leasehold land and buildings	-	-	2,486,877	2,486,877
- Other tangible fixed assets	-	-	263,500	263,500
Other assets	249,289	89,749	-	339,038
LGPS pension surplus/(deficit)	-	(607,000)	-	(607,000)
Net assets/(liabilities)	249,289	(517,251)	2,750,377	2,482,415

The above net assets include £310,548 that were transferred as cash.

**24. 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 Kent County Council. 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 August 2016.

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

**Teachers' Pension Scheme**

**Introduction**

The Teachers' Pension Scheme (TPS) is a statutory, contributory, defined benefit scheme, governed by

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**24. Pension commitments (continued)**

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

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

**Valuation of the Teachers' Pension Scheme**

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% 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 will be as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The employer's pension costs paid to TPS in the period amounted to £100,517.

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

Under the definitions set out in FRS 102, the TPS is 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 Period ended 31 August 2016 was £95,000., of which employer's contributions totalled £74,000. and employees' contributions totalled £21,000.. The agreed contribution rates for future years are 19.8% for employers and var% for employees.

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



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**24. Pension commitments (continued)**

Principal actuarial assumptions:

	<b>2016</b>
Discount rate for scheme liabilities	2.20 %
Expected return on scheme assets at 31 August	14.00 %
Rate of increase in salaries	4.10 %
Rate of increase for pensions in payment / inflation	2.30 %
Inflation assumption (CPI)	2.30 %
RPI Increases	3.20 %

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

	<b>2016</b>
Retiring today	
Males	22.9
Females	25.3
Retiring in 20 years	
Males	25.2
Females	27.7

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

	<b>Fair value at 31 August 2016 £</b>
Equities	647,000
Debt instruments	102,000
Property	134,000
Cash	23,000
Gilts	9,000
Target return portfolio	42,000
	957,000
	957,000

The actual return on scheme assets was £115,000.

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

	<b>2016 £</b>
Current service cost (net of employee contributions)	(112,000)
Net interest cost	(23,000)
Administration expenses	(1,000)
	(136,000)
Total	(136,000)
	115,000
Actual return on scheme assets	115,000

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**24. Pension commitments (continued)**

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

	2016 £
Upon transfer	1,361,000
Current service cost	112,000
Interest cost	55,000
Contributions by employees	21,000
Actuarial losses	623,000
Benefits paid	(6,000)
	2,166,000
Closing defined benefit obligation	2,166,000

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

	2016 £
Upon transfer	754,000
Return on plan assets (excluding net interest on the net defined pension liability)	32,000
Actuarial gains and (losses)	83,000
Contributions by employer	73,000
Contributions by employees	21,000
Benefits paid	(6,000)
	957,000
Closing fair value of scheme assets	957,000

The adoption of FRS 102 has not had an effect on the closing pension deficit in the comparative year. However the analysis between support costs and actuarial gains and losses has changed.

**25. Operating lease commitments**

At 31 August 2016 the total of the Academy trust's future minimum lease payments under non-cancellable operating leases was:

	2016 £
<b>Amounts payable:</b>	
Within 1 year	1,506
	1,506

**26. 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 £NIL for the debts and liabilities contracted before he/she ceases to be a member.

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**27. 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 13.