

**Myton School Trust**  
(A company limited by guarantee)

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

for the year ended  
31 August 2015



## REFERENCE AND ADMINISTRATIVE DETAILS

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\* Members of the Finance and Facilities Committee  
# Members of the Audit Committee

Principal and Registered Office    Myton School  
Myton Road  
Warwick  
Warwickshire  
CV34 6PJ

Company Registration Number 07669416  
(England and Wales)



# Myton School Trust

## REFERENCE AND ADMINISTRATIVE DETAILS (continued)

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Independent Auditor	RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) Chartered Accountants St Philips Point Temple Row Birmingham B2 5AF
Bankers	Barclays Bank plc Barclays House Ground Floor Dominus Way Meridian Business Park Leicester LE19 1RP
Solicitors	Browne Jacobson LLP Mowbray House Castle Meadow Road Nottingham NG2 1BJ



# Myton School Trust

## GOVERNORS' REPORT

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The Board of Governors present their annual report together with the financial statements and auditors' report of Myton School Trust for the year ended 31 August 2015.

Myton School was founded in 1968 following the amalgamation of 2 single sex high schools located on the current Myton School site. In 1992 Myton School was incorporated as a grant maintained school. Following the demise of the grant maintained structure, Myton School became a Foundation School in 1999. On 1st July 2011, Myton School converted to academy status and Myton School Trust was incorporated.

Myton School operates a fully-inclusive, co-educational comprehensive for students aged 11 to 18 serving a catchment in south Warwick, Leamington and surrounding villages. The school has a student capacity of 1,702 and had a number on roll of 1,646 in the school census on January 2015.

### **Structure, Governance and Management**

#### Constitution

Myton School Trust (the "Trust") is a company limited by guarantee and an exempt charity.

The charitable company's memorandum and articles of association are the primary governing documents of the academy trust.

The Governors act as the Board of Trustees (the "Board") for the charitable activities of the Trust and are also the directors of the Trust for the purposes of company law. The charitable company is known as Myton School Trust. The trading name of the Trust is Myton School.

Details of the governors who served throughout the year ended 31 August 2015 are included in the Reference and Administrative Details on page 1.

#### Members' liability

Every member of the Trust undertakes to contribute an amount not exceeding £10 to the Trust's assets in the event of the Trust being wound up during the period of membership, or within one year thereafter.

The Trust is governed by the rules and regulations set down in its Memorandum and Articles of Association dated 14 June 2011.

#### Governors' indemnities

The Governors of the Trust benefit from indemnity insurance purchased by the Trust to cover the liability of the Governors which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Trust. The insurance shall not extend to any claim arising from any act or omission which the governors knew to be a breach of trust or breach of duty or which was committed by the Governors in reckless disregard to whether it was a breach of trust or breach of duty or not.

#### Method of recruitment and appointment or election of governors

The Governors have set up procedures that will enable regular reviews of the mix of skills that should be available to the board. New governors will then be sought with these skills, either as additional governors or replacements when existing governors stand down. It is anticipated that the great majority of new governors will be drawn from the local community being either parents or carers of students at the Trust or others that have shown an interest in the future well-being of the Trust and its students. Recruitment is therefore likely to be through a combination of approaches to individuals with known skills and by wider communications to those within the local community.



# Myton School Trust

## GOVERNORS' REPORT (continued)

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In accordance with the Trust's articles of association, governors can be appointed / elected as follows:

- Members of the Trust may appoint up to 11 governors.
- Members of the Trust may appoint **staff governors** providing that the total number of governors (including the Headteacher) who are employees of the Trust does not exceed one third of the total number of governors.
- The Local Authority (LA) may appoint an **LA governor**.
- The Board must include at least 2 **parent governors**. Parent governors are elected by parents of registered students at the Trust and then appointed by the Members.
- The governors may appoint up to 3 co-opted governors.
- In special circumstances the Secretary of State can appoint additional governors to the Board of the Trust.

As at 31 August 2015, the board comprised 2 staff governors (excluding the Headteacher) and 4 parent governors.

### Policies and procedures for the induction and training of trustees

New governors are given an induction pack which includes relevant terms of references, copies of key school policies and guidance on suitable governor training courses.

A training link governor has been appointed by the board who is responsible for identifying relevant training courses and conferences organised by appropriate bodies. The training link governor informs the board of relevant training opportunities on a regular basis throughout the school year which ensures that individual governors attend relevant courses and that their knowledge and understanding of their role is fully up to date.

### Organisational structure

The Board of Governors have responsibility for setting and monitoring the overall strategic direction of the Trust, approving decisions reserved for governors and as set out in the scheme of delegation. The governors are also involved in appointing key members of staff. The Governors set strategic objectives and educational targets for the Trust with some of these functions delegated to sub-committees.

The Governors meet as a board 4 times a year. All decisions reserved for the governors are taken by the board as a whole. The board has established a number of sub-committees which meet to consider detailed matters and recommend decisions to the full board. These sub-committees meet at least 4 times a year.

There are currently four sub-committees:

- Personnel and Health & Safety Committee
- Quality Assurance and Standards Committee
- Student Welfare/ Care & Guidance & Safeguarding Committee
- Finance & Facilities Committee / Audit Committee

Additionally, working groups with clear terms of reference are formed on an ad hoc basis to consider specific issues and make recommendations to the board.

The Headteacher is the Accounting Officer and works closely with governors and the senior staff of the Trust.

The day-to-day management rests with the Headteacher who has overall responsibility for the Trust. The Headteacher is responsible for establishing a Leadership Team, including the Finance Director, Deputy Headteachers and Assistant Headteachers. The Leadership Team is responsible for the students' education and welfare, organising all staff and the day to day operations, resources and facilities.

### Risk management

The Trust has been through a process to assess various risks and to identify and implement strategies for mitigating these risks. This process identified various risk categories and their potential operational and financial impact, the probability of such occurrences and hence the overall gross risk. The governors have identified clear mechanisms to manage these risks in particular those relating to the specific teaching, provision of facilities and other operational areas of the Trust and its finances. Appropriate and adequate insurance cover is in place as well as an effective system of internal financial controls.



# Myton School Trust

## GOVERNORS' REPORT (continued)

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### Connected organisations, including related party relationships

The Trust has no connected organisations to report.

### **Objectives and Activities**

#### Objects and aims

The charitable objectives for which the Trust was established are set out in the articles of association, which can be found on our website [www.mytonschool.co.uk](http://www.mytonschool.co.uk), as follows:

- “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 a school offering a broad and balanced curriculum;
- to promote for the benefit of the inhabitants of Warwick the provision of facilities for recreation or other leisure time occupation of individuals who have need of such facilities by reason of their youth, age, infirmity or disablement, financial hardship or social and economic circumstances of for the public at large in the interest of social welfare and with the object of improving the condition of life of the said inhabitants.”

#### Objectives, strategies and activities

Myton School is a very successful, 11-18 age range, co-educational comprehensive school with an excellent reputation, in both the local area and nationally. The socio-economic profile of the Trust's students is diverse and reflects its comprehensive and multi-cultural nature.

Myton School's mission statement is “to enable us all to be successful by achieving our full potential as learners and individuals. This means we will work together to ensure high levels of achievement for all.”

To enable the Trust to achieve this, the Trust has set 5 core targets over the next 3 years, as set out in the School Improvement Plan 2013-2015. These are:

1. Achievement to be outstanding by ensuring all students and groups of students make at least good progress with many making outstanding progress
2. Teaching to be never less than good and significant proportion outstanding
3. Students maintain a consistently positive attitude to learning and behaviour in all classes and areas of the school
4. All leaders and managers are highly ambitious for the students and lead by example
5. All staff actively promote the spiritual, moral, social and cultural development of our students

#### Public benefit

The principal purpose of Myton School Trust is to run a fully inclusive secondary school for boys and girls aged between 11- 18 located in south Warwick, Leamington and the surrounding areas.

The Mission Statement of Myton School as noted above seeks to provide students with the skills to make the most of their time both in secondary education but also aims to prepare students for life once they have left. There is a significant focus on the students' spiritual, moral, social and cultural development to prepare our students for rewarding adult lives aware of their responsibility to serve and support the local, national and international communities to the best of their abilities.

The Board of Governors have taken The Charity Commission's specific guidance on public benefit (contained within the guidance document “The Advancement of Education for the Public benefit”) into consideration in preparing their statements on public benefit contained within the Governors' annual report and in reviewing the activities and achievements of the Trust.

#### Benefits & Beneficiaries

In accordance with its charitable objectives, the Trust strives to advance the education of the students attending the school. The Trust's primary beneficiaries are therefore the students, and benefits to students are provided through continuing to maintain a high standard of education throughout the Trust.



# Myton School Trust

## GOVERNORS' REPORT (continued)

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### Governors' Assessment of Public Benefit

In order to determine whether or not the Trust has fulfilled its charitable objectives for public benefit, the Governors gather evidence of the success of Myton School Trust's activities as noted below.

### Indicators, Milestones and Benchmarks

Indicators are used to monitor achievement and attainment at key milestones in the students' education throughout the Key Stages. These are benchmarked against internal targets which use a range of sources to ensure they are ambitious and place Myton in the top quintile of schools nationally. These indicators include:

#### At Key Stage 3

- % of students making expected progress (4 sub levels of progress) and greater than expected progress (more than 4 sub-levels) in English, Maths and Science by the end of Year 8.

#### Attainment at GCSE

- % achieving the basics (good grade in both English and Maths)
- % achieving The Ebacc
- % achieving 5A\*-A grades
- Attainment 8 score
- Attainment of groups of students including those eligible for Pupil Premium, those with special educational needs or disabilities ("SEND"), certain ability ranges and different genders and ethnicities.

#### Achievement at GCSE

- Progress 8 score for all students
- Progress 8 score for groups of students
- Value Added in English, Maths, Ebacc slots and open slots
- % of students who become "NEET" – not in education, employment or training

#### Key Stage 5 / Post 16

- A\*/A grades as a percentage of those awarded
- A\*-B grades as a percentage of those awarded
- Value Added Score
- Average point score per student
- Average point score per entry

### **Strategic Report**

#### **Achievements and Performance**

##### Attainment at GCSE

The 5 A\* - C result including English and Maths was 67%, significantly above the national average although slightly lower than prior year.

80% of students gained 5\* - C grades. Evidence of the inclusive nature of Myton School is that 99% of its students gained 5 A\* - G grades and only 2 students are yet to find a post-16 destination with the school continuing to work actively with both.

The percentage of students achieving at least 5 A\*-A grades was 24% which, although down on the previous year, is further above FFT D estimates than ever before. It should be noted that the profile of the year group was different to previous years which impacted the attainment results.

##### Achievement at GCSE

The percentage of students achieving expected progress in English was in line with the national average of 70%. The percentage exceeding expected progress was well above average at 37%. Expected progress in maths was significantly above average at 80% with the percentage exceeding expected progress was 40%, also significantly above average.



# Myton School Trust

## GOVERNORS' REPORT (continued)

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### Key Stage 5 / Post-16

All the attainment trends at A Level are strong. 20% of grades awarded at A Level were A\* or A. 50% were awarded A\*-B with 75% awarded A\*-C. Combined, these measures have ensured another year with exceptionally high numbers of students gaining entry to their first choice University.

78% of our year 13 students have gone to university, 7% to apprenticeships, 14% have taken a Gap Year (with deferred entry or new applications pending to University). 1% went on to full time employment. 25% of all university places were at Russell Group Universities with a significant rise of places at New Universities, especially for more work-related courses compared to prior years.

Value added at KS5 remains positive.

### **Financial Review**

#### Financial Outcome of Activities & Events

Most of the Trust's income is obtained from the Education Funding Agency ("EFA") in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the EFA during the year ended 31 August 2015, and the associated expenditure, are shown as restricted funds in the Statement of Financial Activities.

Unrestricted income comprises sports centre and other lettings, donations, catering income and training / CPD activities.

In addition, the Trust received contributions towards specific costs from King Henry VIII Foundation. Such grants are shown in the Statement of Financial Activities as unrestricted funds.

Under Accounting Standard FRS17, it is necessary to charge projected deficits on the Local Government Pension Scheme ("LPGS"), provided to support staff, to the restricted fund. This resulted in reducing the reserves in the restricted fund. It should be noted that this does not present the Trust with any current liquidity problems.

The Trust's General Annual Grant (GAG) to carry forward for the year ended 31 August 2015 has increased slightly compared to prior year as the school was able to operate within the income generated whilst still being able to invest in key strategic areas.

#### Key Financial Performance Indicators

The key financial performance indicators monitored by the Leadership Team and Board on a regular basis are as follows:

- Employee costs as a percentage of total income. The target % has been set by the Finance & Facilities Committee at 78%.
- Quarterly management accounts versus budget. All variations greater than £10,000 are investigated and explained to the Finance & Facilities Committee at the regular committee meetings.
- Forecast management accounts up to period end versus budget (in last quarter). Again all forecast variations greater than £10,000 are investigated and explained to the Finance & Facilities Committee at the regular committee meetings.
- GAG income versus expenditure. Significant variations are also investigated and explained as above.

#### Reserves Policy

The Governors' policy is to generate reserves to provide funds to continue to enhance the educational facilities and services of the school and to fund future projects. The Governors intend to review the reserves policy annually to ensure that this aim is being achieved.

At the balance sheet date, the Trust had free reserves of £655,000 (2014: £566,000).



# Myton School Trust

## GOVERNORS' REPORT (continued)

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The Governors intend to utilise these reserves in the near future to continue to improve the infrastructure of the school's premises. Currently the Trust is working with Warwickshire County Council and Warwick District Council to determine the feasibility of expanding the school to meet the increase in student population across the south of Warwick and Leamington as a result of significant housing development. The reserves will be used to invest in the feasibility study of this significant development. Capital grants will need to be obtained once the appropriate permissions have been obtained to enable the capital project to be funded.

### Investment Policy

The Governors' investment powers are set out in the Trust's Memorandum and Articles of Association, which permit the investment of monies of the Trust that are not immediately required for its purposes in such investments as may be thought fit subject to any restrictions which may from time to time be imposed or required by law.

The Trust's current policy is to invest surplus funds in short-term cash deposits.

For the period ended 31 August 2015 and in the current economic climate, the Trust's cash held in the interest bearing account generated interest of between 0.4% and 0.5%.

### Financial and Risk Management Objectives and Policies and Principal Risks and Uncertainties

In accordance with the Trust's risk management policy, the following main risks were identified throughout the period ended 31 August 2015 and are being monitored / managed by the Governors:

- Risk that the Trust cannot recruit quality staff, primarily teaching) into critical staffing positions as a result of the country wide shortage of teachers in core subjects
- Risk that future budgets could be in deficit and cannot be met by reserves due to external factors
- Risk that the pre-16 and post-16 funding levels as determined by the DfE / EFA will have an adverse effect on the school finances leading to projected shortfalls in budget
- Risk that future repairs and replacements to buildings (some dating back to the 1950s) exceed funding available to the Trust
- Risk that the increase in employers' contribution rates for both the Teachers' Pension and LGPS pension become unaffordable at projected funding levels
- Risk that Myton School Trust will not be part of the educational solution to support the housing development plans as outlined in the Warwick District Council Emerging Local Plan
- Risk that Myton School Trust is part of the educational solution to support the housing development plans as outlined in the Warwick District Council Emerging Local Plan but that insufficient funding is provided to Myton School to meet the increase in student places

The Board of Governors and Leadership Team have considered these risks and policies and procedures have been put in place to minimise these risks, including continued investment in recruitment and marking of the school, budget management and forecasting procedures, the procurement of adequate insurance cover and disaster recovery planning. The Trust has also had an external 10 year building conditions survey carried out to enable it to project the potential capital projects primarily around replacement roofs and facades in the older building stock. The Trust's LGPS pension scheme is reviewed by qualified actuaries on an annual basis. There is currently a deficit on this scheme as disclosed in note 21. The Trustees of the LGPS arrange for appropriate contribution rates to be paid by the members and the employer to ensure that the pension scheme is properly funded over time. The predicated changes in both the LGPS and Teachers Pension employer contributions are included within the Trust's 3 year budgetary forecasts. The Board of Governors and Leadership Team are actively engaged in discussions with both Warwick District Council and Warwickshire County Council regarding the Emerging Local Plans impact to education across the district and the capital funding requirement to provide additional educational places within the area.

### Going Concern

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



# Myton School Trust

## GOVERNORS' REPORT (continued)

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### Plans for future years

#### Future Strategy

The Trust's strategic focus in 15/16 and beyond continues to be improving outcomes for all learners via the strategies outlined in Objectives, Strategies and Activities. The academic targets for the academic year 15/16 have been set as follows:

Attainment and achievement targets for GCSE:

- 77% achieving good grade in both English & maths
- Value Added significantly above average in English, maths, Ebacc slots and open slots
- At least 40 % achieving the Ebacc
- Progress 8 score significantly above average and not less than 0.20
- Attainment 8 score above 55 points (C+)

Key stage 5 / post 16 targets have been set as

- A\* to A – over 30%
- A\* to B – over 65%
- A\* to C – over 85%

#### Future Activities & Events

The Trust has three significant site development initiatives planned for 15/16 and beyond, both connected with the Warwick District Council Emerging Local Plan and the proposed 5,800 additional dwellings to be located in Warwick and Leamington (referred to as the “southern sites developments”) that fall within the Myton School and Campion School priority areas.

- Expansion of the school from a current secondary capacity (including 6<sup>th</sup> form) of 1,702 up to 2,500 to provide a joint secondary education solution with Campion School.
- Change in age designation from 11 -18 to 3 – 18 to enable a new 2 form-entry primary school, planned to meet part of the southern sites developments educational needs, to be built adjacent to / or on an extended Myton School site, to enable integration of the primary and secondary education phases
- Disposal of some playing field land at the entrance to the school site to part fund the expansion project, which will be replaced and extended with land allocated for education purposes to Warwickshire County Council under section 106 agreements
- The Trustees have agreed to put the expansion of the Development Centre / creation of a specialist Resource Centre on hold, pending the development of the Warwickshire County Council strategy to address high needs educational solutions within county.

In the financial year ended 31 August 2014, the Trustees approved a proposal for Myton School Trust to either establish its own multi-academy trust (“MAT”) or join an already established multi-academy trust. Due diligence was completed in 2014/15 to assess the opportunity to join an already established MAT and the conclusion of this work was that this move would not be in the best interests of Myton School Trust. The Trustees are currently investigating establishing a small local cross educational phase MAT which would then in turn apply to the DfE to become a recognised Academy Sponsor for any new or struggling schools in the future.

#### Public Benefit

It is the objective of the Trust to continue its work to provide the best education possible for its students both in terms of academic rigour and personal and social qualities.

#### **Funds held as custodian trustee on behalf of others**

Although the Trust maintains restricted funds to deal with incoming resources that are earmarked for a particular purpose, the Trust does not hold, and the governors do not anticipate that it will in the future hold, any funds as custodians for any third party.



# Myton School Trust

## GOVERNORS' REPORT (continued)

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### Auditor

RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) has indicated its willingness to continue in office.

In so far as the governors are aware:

- There is no relevant audit information of which the Trust's auditor is unaware; and
- The Governors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Governors' Report is approved by order of the board of governors and the Strategic Report (included therein) is approved by the board of governors in their capacity as the directors at a meeting on 14 December 2015 and signed on its behalf by:



**David Kelham**  
(Chair of Governors)



# Myton School Trust

## GOVERNANCE STATEMENT

### Scope of responsibility

As governors, we acknowledge we have overall responsibility for ensuring that Myton School 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 Governors has delegated the day-to-day responsibility to the Headteacher, 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 Myton School Trust and the Secretary of State for Education. They are also responsible for reporting to the Governing Body any material weaknesses or breakdowns of internal control.

### Governance

The Board of Governors has formally met 4 times during the year ended 31 August 2015. Attendance at meetings of the Board of Governors during the year was as follows:

Governor	Meetings Attended	Out of a Possible
Mr D Kelham (Chairman)	4	4
Mrs D Burley (Vice-Chair and Chair of Student Welfare/ Care & Guidance & Safeguarding sub-committee)	3	4
Mr D Witham (Vice-Chair and Chair of Finance & Facilities Sub Committee and Audit Committee)	4	4
Mr E P MacIntyre (Headteacher & Accounting Officer)	4	4
Mr J Atkinson (resigned 31 August 2015)	4	4
Mr G Basi	3	4
Mrs J Bessant	4	4
Mrs J Fell	3	4
Mr J Findlay (Chair of QA & Standards sub-committee)	2	4
Miss A Hawkes	4	4
Mrs T Knott	3	4
Mr S Larke	4	4
Mrs C Lee (Chair of Personnel, Health & Welfare sub- committee) (resigned 31 August 2015)	4	4
Mr D Leigh-Hunt	3	4
Mr P Mayor	4	4
Mr S Nicklin	3	4
Mrs J Pannu	4	4
Mrs L Tallis	3	4

### Governance review

In November 2015, Warwickshire Governor Services, part of Warwickshire County Council performed a desk top health check of governance at Myton School Trust, which provided an external view of 4 indicators of effective governance covering website statutory content, governing body minutes, training records and Governing Body Constitution and Membership. No potential weaknesses or recommendations were identified from the review.

The Finance & Facilities Committee is a sub-committee of the main Board of Governors. Its purpose, as set out in the Terms of Reference updated annually, is to:

- assist the decision making of the Board of Governors, by enabling more detailed consideration to be given to the best means of fulfilling the Board of Governors' responsibility, to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity
- make appropriate comments and recommendations on such matters to the Board of Governors on a regular basis
- to ensure major issues will be referred to the full Board of Governors for ratification
- to agree the auditors' audit plan
- to receive the auditors' report and to recommend to the full Board of Governors action as appropriate in response to the audit findings
- to recommend to the Board of Governors the appointment or reappointment of the auditors of the academy



# Myton School Trust

## GOVERNANCE STATEMENT (continued)

The Finance & Facilities Committee is chaired by Mr D Witham, a Chartered Accountant and Director in his own accounting practice. 6 Finance & Facilities sub-committee meetings were held during the year ended 31 August 2015. Attendance at these meetings was as follows:

Governor	Meetings Attended	Out of a possible
Mr D Witham (Chair of Finance & Facilities committee)	6	6
Mr S Nicklin (Vice-chair of Finance & Facilities committee)	3	6
Mr J Atkinson (resigned 31 August 2015)	4	6
Mrs G Gimes (resigned 19 October 2014)	1	1
Mr D Kelham (Chair of Governors)	6	6
Mr D Leigh-Hunt	4	6
Mr P Mayor	6	6
Mr E P MacIntyre (Headteacher & Accounting Officer)	6	6
Mr S Larke	2	6

**The Audit Committee is also a sub-committee of the main Board of Governors and comprises the same members as the Finance & Facilities Committee.** Its purpose, as set out in the Terms of Reference updated annually, is to:

- review the risks to internal financial control and agree a programme of work that will address these risks
- review and approve the audit plan and ensure that it is consistent with the scope of the audit engagement
- to receive the auditors reports and to recommend to the full board of governors action as appropriate in response to any audit findings
- to recommend to the full board of governors the appointment or reappointment of the auditors of the academy

Governor	Meetings Attended	Out of a possible
Mr D Witham (Chair of Finance & Facilities committee)	2	2
Mr S Nicklin (Vice-chair of Finance & Facilities committee)	-	2
Mr J Atkinson (resigned 31 August 2015)	2	2
Mrs G Gimes (resigned 19 October 2014)	1	1
Mr D Kelham (Chair of Governors)	2	2
Mr D Leigh-Hunt	1	2
Mr P Mayor	2	2
Mr E P MacIntyre (Headteacher & Accounting Officer)	2	2
Mr S Larke	1	2

### Review of Value for Money

As accounting officer the Head Teacher has responsibility for ensuring that the Trust delivers good value in the use of public resources. The accounting officer understands the value for money refers to the education 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 Governors how value for money can be improved, including the use of benchmarking data where available. The accounting officer for the Trust has delivered improved value for money during the year by:

- Maintaining staffing levels at 78% of total income with 78% of staffing costs being invested in teaching staff and a further 13% of staffing costs being invested in educational support staff. This investment in staffing continues to support continued improvement in progress and achievement across all key stages
- SEN notional budget and Pupil Premium Funding have been spent targeting our more vulnerable cohort of students, from the employment of teaching assistants, behaviour & student support teams to investment in resources to aid learning (e.g. accelerated readers, ipads etc) and financial support for uniform and stationery purchases and participation in school trips.
- Continued investment in 1 to 1 tuition to support less able students at KS4
- Investment in primary school qualified Accelerate Progress to support less able students at KS3
- Investment in technology (Iris Connect and BlueSky performance Management) to support QA of teaching standards across the Trust



# Myton School Trust

## GOVERNANCE STATEMENT (continued)

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- Continued investment in training and CPD programme to support staff across the Trust continue to improve standards
- Investment in technology within the classroom and for teachers e.g. purchase of laptops for teachers, and mobile solutions for classrooms
- Investment in enhancements to the school site to improve the teaching and learning environment including a covered outdoor eating area and enhancements to a number of classrooms
- Invested in external benchmarking data which was reviewed and discussed at Finance Committee level which demonstrated that the Trust performed in line with similar schools across the country
- Regular budget monitoring that is presented to budget holders and Finance Governors to ensure tight budgetary control
- Appointment of external procurement consultants to help secure best value for significant contracts e.g. Cleaning and Grounds Maintenance and internal monitoring to ensure best value across the school

### **The Purpose of the System of Internal Control**

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives. It can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an on-going process designed to identify and prioritise the risks to the achievement of the Trust's 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 Myton School Trust for the year ended 31 August 2015 and up to the date of approval of the annual report and financial statements.

### **Capacity to Handle Risk**

The Board of Governors 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 these risks. The Board of Governors is of the view that there is a formal on-going process for identifying, evaluating and managing the Trust's significant risks that has been put in place for the year ending 31 August 2015 and up to the date of approval of the annual report and financial statements. The process is regularly reviewed by the Board of Governors.

### **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 Governors
- regular reviews by the Finance and Facilities sub-committee of reports which indicate financial performance against the budgets / forecasts and of major purchase plans, capital works and expenditure programmes
- setting targets to measure financial and other performance
- clearly defined purchasing guidelines
- delegation of authority and segregation of duties
- identification and management of risks

The Board of Governors has considered the need for a specific internal audit function and has decided not to appoint an internal auditor. However, the Board of Governors have appointed RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP), the external auditor, to perform additional compliance checks.

The auditor's role includes giving advice on financial matters and performing a range of checks on the Trust's financial systems. On an annual basis the auditor reports to the Board of Governors on the operation of the systems of control and on the discharge of the Board of Governors' financial responsibilities.

### **Review of Effectiveness**

As Accounting Officer, the Headteacher 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 auditor
- the financial management and governance self-assessment process



# Myton School Trust

## GOVERNANCE STATEMENT (continued)

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- the work of the Finance Director, Finance team and Finance & Facilities Committee 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 & Facilities 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 Governors on 14 December 2015 and signed on its behalf by:



**Mr D Kelham**  
(Chair)



**Mr E P MacIntyre**  
(Accounting Officer)



# Myton School Trust

## STATEMENT OF GOVERNORS' RESPONSIBILITIES

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The governors (who act as trustees for charitable activities of Myton School Trust and are also the directors of the Charitable Company for the purposes of company law) are responsible for preparing the Governors' 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 governors to prepare financial statements for each financial year. Under company law the governors 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 governors are required to:

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

The governors 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 governors 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 governors 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 Governors on 14 December 2015 and signed on its behalf by:



**Mr D Kelham**  
(Chair of Governors)



# Myton School Trust

## STATEMENT OF REGULARITY, PROPRIETY AND COMPLIANCE

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As accounting officer of Myton School Trust I have considered my responsibility to notify the Trust's Board of Governors 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. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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

I confirm that no instances of material irregular, 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 E P Macintyre**  
**Accounting Officer**

**14 December 2015**



## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF MYTON SCHOOL TRUST

We have audited the financial statements of Myton School Trust for the year ended 31 August 2015 on pages 18 to 36. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), and the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

This report is made solely to the charitable 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### Respective responsibilities of governors and auditor

As explained more fully in the Statement of Governors' Responsibilities set out on page 15, the governors (who act as trustees for the charitable activities of the charitable company, and are also the directors of the charitable company 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 (APB's) Ethical Standards for Auditors.

### Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at <http://www.frc.org.uk/auditscopeukprivate>

### 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 2015 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the Companies Act 2006; and
- have been prepared in accordance with the Academies Accounts Direction 2014 to 2015 issued by the Education Funding Agency.

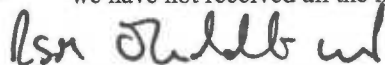
### Opinion on other requirement of the Companies Act 2006

In our opinion the information given in the Governors' Report and the incorporated Strategic Report for the financial year 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:

- the charity has not kept adequate accounting records, 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 governors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



PAUL OXTOBY (Senior Statutory Auditor)

For and on behalf of RSM UK AUDIT LLP (formerly BAKER TILLY UK AUDIT LLP), Statutory Auditor

Chartered Accountants

St Philips Point

Temple Row

Birmingham

B2 5AF

Date 15 Dec 2015



# Myton School Trust

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES)

for the year ended 31 August 2015

	Notes	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	2015 Total £'000	2014 Total £'000
<b>INCOMING RESOURCES</b>						
Income from generated funds:						
Voluntary income	1	28	16	32	76	76
Activities for generating funds		125	-	-	125	116
Investment income		6	-	-	6	9
Income from charitable activities:						
Funding for the Academy's educational operations	2	-	8,047	-	8,047	7,839
<b>Total incoming resources</b>		<b>159</b>	<b>8,063</b>	<b>32</b>	<b>8,254</b>	<b>8,040</b>
<b>RESOURCES EXPENDED</b>						
Cost of generating funds:						
Costs of activities for generating funds		70	-	-	70	76
Charitable activities:						
Academy's educational operations	4	-	8,117	555	8,672	8,461
Governance costs	5	-	9	-	9	13
<b>Total resources expended</b>	3	<b>70</b>	<b>8,126</b>	<b>555</b>	<b>8,751</b>	<b>8,550</b>
<b>NET INCOMING/ (OUTGOING) RESOURCES BEFORE TRANSFERS</b>		<b>89</b>	<b>(63)</b>	<b>(523)</b>	<b>(497)</b>	<b>(510)</b>
Gross transfers between funds		-	(95)	95	-	-
<b>NET INCOME/ (EXPENDITURE) FOR THE PERIOD</b>		<b>89</b>	<b>(158)</b>	<b>(428)</b>	<b>(497)</b>	<b>(510)</b>
<b>OTHER RECOGNISED GAINS AND LOSSES</b>						
Actuarial losses on defined benefit schemes	21	-	(52)	-	(52)	(132)
<b>NET MOVEMENT IN FUNDS</b>		<b>89</b>	<b>(210)</b>	<b>(428)</b>	<b>(549)</b>	<b>(642)</b>



# Myton School Trust

## STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT AND STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES) (Continued) for the year ended 31 August 2015

		Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	2015 Total £'000	2014 Total £'000
	<i>Notes</i>					
NET MOVEMENT IN FUNDS BROUGHT FORWARD		89	(210)	(428)	(549)	(642)
RECONCILIATION OF FUNDS						
TOTAL FUNDS BROUGHT FORWARD		566	(1,628)	23,460	22,398	23,040
TOTAL FUNDS CARRIED FORWARD AT 31 AUGUST	12	655	(1,838)	23,032	21,849	22,398
		<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>	<u>        </u>

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



# Myton School Trust

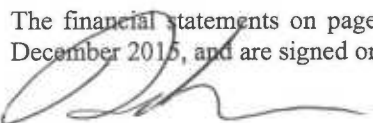
## BALANCE SHEET

31 August 2015

Company Registration No. 07669416

	Notes	2015 £'000	2015 £'000	2014 £'000	2014 £'000
FIXED ASSETS					
Tangible assets	9		23,032		23,460
CURRENT ASSETS					
Debtors	10	356		296	
Cash at bank and in hand		979		936	
		<u>1,335</u>		<u>1,232</u>	
CREDITORS: Amounts falling due within one year	11	(580)		(536)	
NET CURRENT ASSETS			<u>755</u>		<u>696</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>23,787</u>		<u>24,156</u>
NET ASSETS EXCLUDING PENSION LIABILITY			<u>23,787</u>		<u>24,156</u>
Pension scheme liability	21		(1,938)		(1,758)
NET ASSETS INCLUDING PENSION LIABILITY			<u>21,849</u>		<u>22,398</u>
THE FUNDS OF THE ACADEMY TRUST:					
RESTRICTED FUNDS					
Fixed asset fund	12		23,032		23,460
General fund	12		100		130
Restricted funds excluding pension reserve			<u>23,132</u>		<u>23,590</u>
Pension reserve	12		(1,938)		(1,758)
TOTAL RESTRICTED FUNDS			<u>21,194</u>		<u>21,832</u>
TOTAL UNRESTRICTED FUNDS	12		<u>655</u>		<u>566</u>
TOTAL FUNDS			<u>21,849</u>		<u>22,398</u>

The financial statements on pages 18 to 36 were approved by the governors and authorised for issue on 14 December 2015, and are signed on their behalf by:



Mr D Kelham  
Chair



Myton School Trust  
CASH FLOW STATEMENT  
for the year ended 31 August 2015

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	Notes	2015 £'000	2014 £'000
NET CASH FLOW FROM OPERATING ACTIVITIES	16	164	(65)
Returns on investments and servicing of finance	17	6	9
Capital expenditure	18	(127)	(124)
		<u>          </u>	<u>          </u>
INCREASE/(DECREASE) IN CASH IN THE YEAR	19	43	(180)
		<u>          </u>	<u>          </u>
RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET FUNDS			
Increase/(decrease) in cash in the year		43	(180)
		<u>          </u>	<u>          </u>
MOVEMENT IN NET FUNDS IN THE YEAR	19	43	(180)
NET FUNDS AT 1 SEPTEMBER		936	1,116
		<u>          </u>	<u>          </u>
NET FUNDS AT 31 AUGUST		979	936
		<u>          </u>	<u>          </u>

All of the cash flows derive from continuing operations during the above two financial periods.



# Myton School Trust

## ACCOUNTING POLICIES

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### **Basis of Preparation**

The financial statements have been prepared under the historical cost convention in accordance with applicable United Kingdom Accounting Standards, the Statement of Recommended Practice ('SORP 2005') 'Accounting and Reporting by Charities', the Academies: Accounts Direction 2014 to 2015 issued by the Education Funding Agency and Companies Act 2006. A summary of the principal accounting policies, which have been applied consistently is set out below.

### **Going Concern**

The governors have reviewed the forecasts of incoming resources and resources expended of the Academy and believe there are adequate resources which will enable the Academy to meet its liabilities for at least one year from the date the financial statements are signed. For this reason, the governors have adopted the going concern basis in preparing the financial statements.

### **Incoming resources**

All incoming resources are recognised when the Academy Trust has entitlement to the funds, certainty of receipt and the amount can be measured with sufficient reliability.

### **Grants receivable**

Grant income is 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. The general annual grant ('the GAG') from the DfE, which is intended to meet recurrent costs, is credited directly to the Statement of Financial Activities. Other grants from government agencies and other bodies are recognised in the period in which they are receivable to the extent the conditions of funding have been met. 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. Capital grants are recognised as voluntary income on a receivable basis to the extent there is entitlement.

### **Donations**

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

### **Other income**

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

### **Interest receivable**

Interest receivable is included in the Statement of Financial Activities on a receivable basis, and is stated inclusive of related tax credits.

### **Resources expended**

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

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

*Charitable activities* are costs incurred on the Academy Trust's educational operations.

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

All resources expended are inclusive of irrecoverable VAT.



# Myton School Trust

## ACCOUNTING POLICIES (continued)

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### **Fund accounting**

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

Restricted General funds are resources subject to specific restrictions imposed by funders or donors, and include grants from the Education Funding Agency/Department for Education.

Restricted Fixed Assets Funds are resources which are to be applied to specific capital purposes imposed by the Education Funding Agency/Department for Education, and other funders, where the asset acquired or created is held for a specific purpose.

### **Tangible fixed assets**

Tangible fixed assets costing £1,000 or more are capitalised at cost 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 the related grants require the asset to be held for a specific purpose they are credited to a restricted fixed asset fund in the Statement of Financial Activities and carried forward in the Balance Sheet, with this amount being reduced over the useful economic life of the related asset on a basis consistent with the depreciation policy.

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

Freehold buildings	50 years
Fixtures, fittings and equipment	5 years
ICT equipment	3 years

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.

### **Taxation**

The Academy Trust is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Academy Trust is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 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.

### **Leased assets and obligations**

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



# Myton School Trust

## ACCOUNTING POLICIES (continued)

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### **Pensions benefits**

Retirement benefits to employees of the Academy Trust are provided by the Teachers' Pension Scheme ('TPS') and the Local Government Pension Scheme ('LGPS'). These are defined benefit schemes, are contracted out of the State Earnings-Related Pension Scheme ('SERPS') (until April 2016), and the assets are held separately from those of the Academy Trust.

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective benefit method. As stated in Note 21, the TPS is a multi-employer scheme and the Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. The TPS is therefore treated as a defined contribution scheme and the contributions recognised as they are paid each year.

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

### **Agency arrangements**

The Academy Trust acts as an agent in the administering of 16-19 Bursary Funds from the EFA. Related payments received from the EFA and subsequent disbursements to students are excluded from the Statement of Financial Activities to the extent that the Academy Trust does not have a beneficial interest in the individual transactions. The allowance of 5% as a contribution to administration costs is however recognised in the Statement of Financial Activities. Where funds have not been fully applied in the year then an amount will be included as amounts due to the EFA in creditors.



# Myton School Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

### 1 VOLUNTARY INCOME

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	2015 Total £'000	2014 Total £'000
Donations	28	16	-	44	32
Capital grants: EFA	-	-	32	32	44
	<u>28</u>	<u>16</u>	<u>32</u>	<u>76</u>	<u>76</u>

### 2 FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds £'000	Restricted funds £'000	Restricted fixed asset funds £'000	2015 Total £'000	2014 Total £'000
<b>DfE/EFA REVENUE GRANTS</b>					
General annual grant (GAG)	-	7,509	-	7,509	7,373
Other DfE/EFA grants	-	232	-	232	224
	<u>-</u>	<u>7,741</u>	<u>-</u>	<u>7,741</u>	<u>7,597</u>
<b>OTHER GOVERNMENT GRANTS</b>					
Local authority grants	-	285	-	285	199
Other funding	-	21	-	21	43
	<u>-</u>	<u>306</u>	<u>-</u>	<u>306</u>	<u>242</u>
<b>TOTAL</b>	<u>-</u>	<u>8,047</u>	<u>-</u>	<u>8,047</u>	<u>7,839</u>



**Myton School Trust**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 August 2015

**3 RESOURCES EXPENDED**

	Staff costs £'000	Non pay expenditure Premises £'000	Other costs £'000	2015 Total £'000	2014 Total £'000
Costs of activities for generating funds	18	-	52	70	76
Academy's educational operations					
Direct costs	5,674	555	377	6,606	6,553
Allocated support costs	855	1,108	103	2,066	1,908
	<u>6,547</u>	<u>1,663</u>	<u>532</u>	<u>8,742</u>	<u>8,537</u>
Governance costs including allocated support costs	-	-	9	9	13
	<u>6,547</u>	<u>1,663</u>	<u>541</u>	<u>8,751</u>	<u>8,550</u>
Net outgoing resources for the year is stated after charging:				2015 £'000	2014 £'000
Operating leases – plant and machinery				20	15
Fees payable to RSM UK Audit LLP (formerly Baker Tilly UK Audit LLP) and its associates for:					
- audit				9	12
- other services				-	1
				<u>29</u>	<u>28</u>



# Myton School Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

### 4 CHARITABLE ACTIVITIES – ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted Funds £'000	Restricted Funds £'000	2015 Total £'000	2014 Total £'000
<b>DIRECT COSTS</b>				
Teaching and educational support staff costs	-	5,674	5,674	5,595
Depreciation	-	555	555	561
Educational supplies	-	43	43	51
Staff development	-	32	32	29
Educational consultancy	-	155	155	173
Exam fees	-	147	147	144
	-	6,606	6,606	6,553
<b>ALLOCATED SUPPORT COSTS</b>				
Support staff costs	-	854	854	818
Recruitment and support	-	77	77	62
Maintenance of premises and equipment	-	240	240	153
Cleaning	-	159	159	153
Rent and rates	-	34	34	33
Utilities	-	155	155	164
Insurance	-	63	63	60
Catering	-	7	7	11
Printing, postage and stationery	-	120	120	113
IT costs	-	100	100	108
Other support costs	-	257	257	233
	-	2,066	2,066	1,908
	-	8,672	8,672	8,461



**Myton School Trust**  
**NOTES TO THE FINANCIAL STATEMENTS**  
for the year ended 31 August 2015

**5 GOVERNANCE COSTS**

	Unrestricted Funds £'000	Restricted Funds £'000	2015 £'000	2014 £'000
Auditors' remuneration				
Audit of financial statements	-	9	9	13
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	-	9	9	13
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

**6 STAFF NUMBERS AND COSTS**

	2015 £'000	2014 £'000
Staff costs during the period were:		
Wages and salaries	5,198	5,055
Social security costs	387	386
Pension costs	885	822
	<u>          </u>	<u>          </u>
	6,470	6,263
Supply teacher costs	59	141
Other staff costs	18	29
	<u>          </u>	<u>          </u>
	6,547	6,433
	<u>          </u>	<u>          </u>

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

	2015 No	2014 No
Teachers	101	106
Administration and support	81	75
Management	16	12
	<u>          </u>	<u>          </u>
	198	193
	<u>          </u>	<u>          </u>

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

	2015 No	2014 No
£60,001 - £70,000	3	5
£70,001 - £80,000	1	-
£100,000 - £110,000	-	1
£110,001 - £120,000	1	-
	<u>          </u>	<u>          </u>

All of the above employees participated in the Teachers' Pension Scheme which is a defined benefit scheme. During the year ended 31 August 2015, pension contributions for these staff amounted to £53,995 (2014: £59,933).



# Myton School Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

### 7 GOVERNORS' REMUNERATION AND EXPENSES

The Principal and other staff governors only receive remuneration in respect of services they provide undertaking the roles of Principal and staff and not in respect of their services as governors. Other governors did not receive any payments from the Academy Trust in respect of their role as governors. The value of the Principal's remuneration was £115,010 in 2015 (2014: £106,147). He is also accruing retirement benefits under the Teachers' Pension Scheme. The contributions paid in the year amounted to £16,216 (2014: £14,967). The value of the two staff governors' remuneration was £68,773 (2014: Three - £74,313). The staff governors are also accruing retirement benefits under the Teachers' / LGPS Pension Schemes. The contributions paid in the year amounted to £9,156 (2014: £9,600).

During the year ended 31 August 2015, travel and subsistence expenses totalling £1,405 (2014: £115) were reimbursed to two governors (2014: one governor).

### 8 GOVERNORS' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Academy Trust has purchased insurance to protect governors and officers from claims arising from negligent acts, errors or omissions occurring whilst on Academy Trust business. The insurance provides cover up to £2,000,000 on any one claim and the cost for the year ended 31 August 2015 was included in the combined schools policy, there was not a separate premium charged for this cover (2014: £963).

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

### 9 TANGIBLE FIXED ASSETS

	<i>Freehold land and buildings</i> £'000	<i>Fixtures fittings and equipment</i> £'000	<i>Total</i> £'000
Cost:			
1 September 2014	24,342	646	24,988
Additions	56	71	127
	<hr/>	<hr/>	<hr/>
31 August 2015	24,398	717	25,115
	<hr/>	<hr/>	<hr/>
Depreciation:			
1 September 2014	1,183	345	1,528
Charged in the year	378	177	555
	<hr/>	<hr/>	<hr/>
31 August 2015	1,561	522	2,083
	<hr/>	<hr/>	<hr/>
Net book value:			
31 August 2015	22,837	195	23,032
	<hr/>	<hr/>	<hr/>
31 August 2014	23,159	301	23,460
	<hr/>	<hr/>	<hr/>

10 DEBTORS	2015 £'000	2014 £'000
Trade debtors	112	37
Other debtors	83	103
Prepayments	161	156
	<hr/>	<hr/>
	356	296
	<hr/>	<hr/>



# Myton School Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

11	CREDITORS: Amounts falling due within one year			2015 £'000	2014 £'000	
	Trade creditors			206	216	
	Other taxation and social security			115	112	
	Other creditors			103	89	
	Accruals			156	119	
				<u>580</u>	<u>536</u>	
12	FUNDS					
		<i>At 1 September 2014 £'000</i>	<i>Incoming resources £'000</i>	<i>Resources expended £'000</i>	<i>Gains, losses and transfers £'000</i>	<i>At 31 August 2015 £'000</i>
	RESTRICTED GENERAL FUNDS					
	General Annual Grant (GAG)	69	7,509	(7,444)	(95)	39
	Other DfE/EFA grants	61	538	(538)	-	61
	Other Grants	-	16	(16)	-	-
		<u>130</u>	<u>8,063</u>	<u>(7,998)</u>	<u>(95)</u>	<u>100</u>
	Pension reserve	(1,758)	-	(128)	(52)	(1,938)
		<u>(1,628)</u>	<u>8,063</u>	<u>(8,126)</u>	<u>(147)</u>	<u>(1,838)</u>
		<u><u>130</u></u>	<u><u>8,063</u></u>	<u><u>(7,998)</u></u>	<u><u>(95)</u></u>	<u><u>100</u></u>
	RESTRICTED FIXED ASSET FUNDS					
	Fixed assets	23,460	32	(555)	95	23,032
		<u>23,460</u>	<u>32</u>	<u>(555)</u>	<u>95</u>	<u>23,032</u>
		<u><u>23,460</u></u>	<u><u>32</u></u>	<u><u>(555)</u></u>	<u><u>95</u></u>	<u><u>23,032</u></u>
	TOTAL RESTRICTED FUNDS	21,832	8,095	(8,681)	(52)	21,194
		<u><u>21,832</u></u>	<u><u>8,095</u></u>	<u><u>(8,681)</u></u>	<u><u>(52)</u></u>	<u><u>21,194</u></u>
	UNRESTRICTED FUNDS					
	Unrestricted funds	566	159	(70)	-	655
		<u>566</u>	<u>159</u>	<u>(70)</u>	<u>-</u>	<u>655</u>
	TOTAL UNRESTRICTED FUNDS	566	159	(70)	-	655
		<u>566</u>	<u>159</u>	<u>(70)</u>	<u>-</u>	<u>655</u>
	TOTAL FUNDS	22,398	8,254	(8,751)	(52)	21,849
		<u><u>22,398</u></u>	<u><u>8,254</u></u>	<u><u>(8,751)</u></u>	<u><u>(52)</u></u>	<u><u>21,849</u></u>



# Myton School Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

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### 12 FUNDS (*continued*)

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

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

Other restricted general funds were funded by government grants or donations from sponsors.

Restricted fixed asset funds were funded by government grants or sponsor donations.

13	ANALYSIS OF NET ASSETS BETWEEN FUNDS	Unrestricted funds £'000	Restricted general funds £'000	Restricted fixed asset funds £'000	Total funds £'000
	Fund balances at 31 August 2015 are represented by:				
	Tangible fixed assets	-	-	23,032	23,032
	Current assets	655	680	-	1,335
	Current liabilities	-	(580)	-	(580)
	Pension scheme liability	-	(1,938)	-	(1,938)
		<hr/>	<hr/>	<hr/>	<hr/>
	TOTAL NET ASSETS	655	(1,838)	23,032	21,849
		<hr/>	<hr/>	<hr/>	<hr/>

14	CAPITAL COMMITMENTS	2015 £'000	2014 £'000
	Contracted for, but not provided in the financial statements	-	-
		<hr/>	<hr/>

### 15 FINANCIAL COMMITMENTS

#### OPERATING LEASES

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

	2015 £'000	2014 £'000
Other:		
Expiring within two and five years inclusive	15	15
	<hr/>	<hr/>



# Myton School Trust

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2015

16	RECONCILIATION OF NET EXPENDITURE TO NET CASH (OUTFLOW)/INFLOW FROM OPERATING ACTIVITIES				2015 £'000	2014 £'000
	Net expenditure				(497)	(510)
	Depreciation (note 9)				555	561
	Interest receivable				(6)	(9)
	FRS 17 pension cost less contributions payable (note 21)				89	63
	FRS 17 pension finance costs (note 21)				39	57
	(Increase)/decrease in debtors				(60)	49
	Increase/(decrease) in creditors				44	(276)
					<hr/>	<hr/>
	NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES				164	(65)
					<hr/>	<hr/>
17	RETURNS ON INVESTMENTS AND SERVICING OF FINANCE					
	Interest received				6	9
					<hr/>	<hr/>
	NET CASH INFLOW FROM RETURNS ON INVESTMENT AND SERVICING OF FINANCE				6	9
					<hr/>	<hr/>
18	CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT					
	Purchase of tangible fixed assets				(127)	(124)
					<hr/>	<hr/>
	NET CASH OUTFLOW FROM CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT				(127)	(124)
					<hr/>	<hr/>
19	ANALYSIS OF CHANGES IN NET FUNDS	At 1 September 2014 £'000	Cash flows £'000	Non Cash flows £'000	At 31 August 2015 £'000	
	Cash in hand and at bank	936	43	-	979	
		<hr/>	<hr/>	<hr/>	<hr/>	
		936	43	-	979	
		<hr/>	<hr/>	<hr/>	<hr/>	
20	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.



# Myton School Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

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### 21 PENSION AND SIMILAR OBLIGATIONS

The Academy Trust's employees belong to two principal pension schemes: the Teachers' Pension Scheme England and Wales ("TPS") for academic and related staff; and the Local Government Pension Scheme ("LGPS") for non-teaching staff, which is managed by Hymans Robertson LLP. Both are defined-benefit schemes.

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

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

#### **Teachers' Pension Scheme**

The Teachers' Pensions Scheme ("TPS") is a statutory, contributory, defined benefit scheme, governed by the Teachers' Pensions Regulations 2010, and from 1 April 2014 by the Teachers' Pensions Scheme Regulations 2014. The TPS is an unfunded scheme and members contribute on a 'pay as-you-go' basis, and along with employers' contributions, are credited to the Exchequer.

#### **Valuation of the Teachers' Pensions Scheme**

Not less than every four years the Government Actuary ("GA"), using normal actuarial principles, conducts a formal actuarial review of the TPS. 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 was carried out as at 31 March 2012 in accordance with the Public Service Pensions (Valuations and Employer Cost Cap) Directions 2014. The valuation being published in June 2014. The key elements of the valuation and subsequent consultation are:

- Total liabilities of the Scheme (pensions currently in payment and the estimated cost of future benefits) amounted to £191,500 million
- Value of the notional assets (estimated future contributions together with the proceeds from the notional investments held at the valuation date) was £176,600 million
- Assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings
- Rate of real earnings growth is assumed to be 2.75%
- Assumed nominal rate of return is 5.06%

During the year the employer contribution rate was 14.1%.

The TPS valuation for 2012 determined an employer rate of 16.4% from 1 September 2015 and an employer cost cap of 10.9%. The employer contribution rate will be payable until the next valuation as at March 2016, whereupon the employer contribution rate is expected to be reassessed and will be payable from 1 April 2019.

The pension costs paid to TPS in the year amounted to £534,204 (2014: £529,000).

Under the definitions set out in Financial Standards (FRS 17) Retirement Benefits, the TPS is a multi-employer pension scheme. The Academy Trust is unable to identify its share of the underlying assets and liabilities of the scheme.

Accordingly, the Academy Trust has taken the exemption in FRS 17 and has accounted for its contributions to the scheme as if it were a defined-contribution scheme. The Academy Trust has set out above the information available on the scheme and the implications for the Academy Trust in terms of the anticipated rates.



# Myton School Trust

## NOTES TO THE FINANCIAL STATEMENTS

### for the year ended 31 August 2015

#### 21 PENSION AND SIMILAR OBLIGATIONS (continued)

##### Local Government Pension Scheme

The LGPS is a funded defined-benefit scheme, with the assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August was £295,000 (2014: £232,000), of which employer's contributions totalled £225,000 (2014: £171,000) and employees' contribution totalled £70,000 (2014: £61,000). The agreed rates for future years are 17.1 per cent for employers and 5.5 to 8.5 per cent for employees.

Principal actuarial assumptions	2015 %	2014 %
Rate of increase in salaries	4.5	4.4
Rate of increase for pensions in payment	2.6	2.6
Discount rate	3.7	3.7
Expected Return on Assets	3.7	5.5

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

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

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

	Expected return at 31 August 2015 %	Fair value at 31 August 2015 £'000	Expected return at 31 August 2014 %	Fair value at 31 August 2014 £'000
Equities	3.7	1,098	6.3	942
Bonds	3.7	395	3.4	291
Property	3.7	206	4.5	139
Cash	3.7	17	3.3	14
		<hr/>		<hr/>
TOTAL MARKET VALUE OF ASSETS		1,716		1,386
Present value of scheme liabilities				
- Funded		(3,654)		(3,144)
		<hr/>		<hr/>
DEFICIT IN THE SCHEME		(1,938)		(1,758)
		<hr/>		<hr/>

The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment portfolio. Expected yields on bonds are based on gross redemption yields at the balance sheet date whilst the expected returns on the equity and property investments reflect the long-term real rates of return experienced in the respective markets.

The actual return on scheme assets was £61,000 (2014: £141,000).



# Myton School Trust

## NOTES TO THE FINANCIAL STATEMENTS

for the year ended 31 August 2015

### 21 PENSION AND SIMILAR OBLIGATIONS (continued)

#### Amounts recognised in the statement of financial activities

	2015 £'000	2014 £'000
Current service cost (net of employee contributions)	314	234
Total operating charge	314	234
<b>Analysis of pension finance costs</b>		
Expected return on pension scheme assets	84	65
Interest on pension liabilities	(123)	(122)
Pension finance costs	(39)	(57)

The actuarial gains and losses for the current period are recognised in the SOFA.

The cumulative amount of actuarial losses recognised in the statement of recognised gains and losses since the adoption of FRS 17 is £429,000 loss (2014: £377,000 loss).

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

	2015 £'000	2014 £'000
At 1 September 2014	3,144	2,528
Current service cost	314	234
Interest cost	123	122
Employee contributions	70	61
Actuarial loss	29	220
Benefits paid	(26)	(21)
At 31 August 2015	3,654	3,144

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

	2015 £'000	2014 £'000
At 1 September 2014	1,386	1,022
Expected return on assets	84	65
Actuarial (loss)/gain	(23)	88
Employer contributions	225	171
Employee contributions	70	61
Benefits paid	(26)	(21)
At 31 August 2015	1,716	1,386

The estimated value of employer contributions for the year ended 31 August 2016 is £247,000.



# Myton School Trust

## NOTES TO THE FINANCIAL STATEMENTS for the year ended 31 August 2015

### 21 PENSION AND SIMILAR OBLIGATIONS (continued)

#### The four-year history of experience adjustments is as follows:

	2015 £'000	2014 £'000	2013 £'000	2012 £'000
Present value of defined benefit obligations	(3,654)	(3,144)	(2,528)	(2,095)
Fair value of share of scheme assets	1,716	1,386	1,022	651
Deficit in the scheme	(1,938)	(1,758)	(1,506)	(1,444)
Experience adjustments on share of scheme assets (£'000)	(23)	88	95	(24)
Experience adjustments on scheme liabilities (£'000)	4	70	-	-

### 22 AGENCY ARRANGEMENTS

The Academy Trust administers the disbursement of the new discretionary support for learners, 16-19 Bursary Funds, on behalf of the EFA. In the year it received £19,977 and disbursed £11,164, with therefore an amount of £8,813 repayable by the Academy Trust at the 31 August 2015 which is included in other creditors. In addition to this, the Academy Trust had a balance brought forward on these funds of £29,038 resulting in a total creditor at 31 August 2015 of £37,851.



# INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON REGULARITY TO MYTON SCHOOL TRUST AND THE EDUCATION FUNDING AGENCY

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

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

## **Respective responsibilities of Myton School Trust's accounting officer and the reporting accountant**

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

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

## **Approach**

We conducted our engagement in accordance with the Academies Accounts Direction 2014 to 2015 issued by 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 trust's income and expenditure.

Our work included identification and assessment of the design and operational effectiveness of the controls, policies and procedures that have been implemented to ensure compliance with the framework of authorities including high level financial control areas and areas assessed of presenting a higher risk of impropriety. We undertook detailed testing, based on our assessment of risk of material irregularity, where such controls, policies and procedures apply to classes of transactions. This work was integrated with our audit on the financial statements to the extent evidence from the conduct of that audit supports the regularity conclusion.



INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON  
REGULARITY TO MYTON SCHOOL 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 2014 to 31 August 2015 has not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



**RSM UK AUDIT LLP** (formerly BAKER TILLY UK AUDIT LLP)

Chartered Accountants

St Philips Point

Temple Row

Birmingham

B2 5AF

Date 15 Dec 2015