

LAUNCESTON COLLEGE
(A company limited by guarantee)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

LAUNCESTON COLLEGE
(A company limited by guarantee)

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REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2018

Members	P Crispin A Counsell (resigned 31 August 2017) E Marshall S Philips (appointed 1 September 2017)
Trustees	J Jackson, Executive Principal E Marshall C Webb T Broad (resigned 31 January 2018) J White D Humphries A Shopland C Barnard (appointed 17 September 2018) J Burnett (appointed 18 October 2017, resigned 11 September 2018) A Ward (appointed 12 January 2018, resigned 17 September 2018)
Company registered number	08150106
Company name	Launceston College
Principal and registered office	Launceston College, Hurdon Road, Launceston, Cornwall, PL15 9JR
Accounting officer	J Jackson
Senior management team	J Jackson, Executive Principal B Maywood, Principal - Launceston L Kane, Principal - Bideford C Penfold, Quality Assurance T Broad, Finance Director E Kerr, Principal- Egloskerry L Slater, Principal- Egloskerry (maternity cover for E Kerr to 22/02/2018)
Independent auditors	Griffin Chartered Accountants 165 High Street Honiton Devon EX14 1LQ
Bankers	Natwest Green Street Truro Truro Cornwall TR1 2LH

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REFERENCE AND ADMINISTRATIVE DETAILS
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Advisers (continued)

Solicitors	Browne Jacobson 1 Manor Court Dix's Field Exeter Devon EX1 1UP
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees present their annual report together with the financial statements and auditor's report of the charitable company for the year 1 September 2017 to 31 August 2018. The Annual report serves the purposes of both a Trustees' report, and a Directors' report under company law.

The Launceston College Multi Academy Trust (MAT) operates one primary academy and two secondary academies in Cornwall and Devon. Its academies have a combined pupil capacity of 3,717 and had a roll of 2,686 in the school census in October 2017.

Structure, governance and management

a. CONSTITUTION

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

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

The Trustees of Launceston College MAT are also the directors of the charitable company for the purpose of company law.

The charitable company is known as Launceston College Multi Academy Trust.

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

b. MEMBERS' LIABILITY

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

c. TRUSTEES' INDEMNITIES

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

d. METHOD OF RECRUITMENT AND APPOINTMENT OR ELECTION OF TRUSTEES

The Multi Academy Trust's Board of Trustees comprises of the Chief Executive Officer (CEO), a minimum of two parent Trustees and up to six other Trustees.

The Chair of each Local Governing Body is also a Trustee on the MAT board, and the other Trustees are appointed via an election process. The total number of Trustees, including the CEO, who are employees of the MAT will not exceed one third of the total number of Trustees.

Trustees are appointed for a four year period, except that this time limit does not apply to the CEO. Subject to remaining eligible to be a particular type of Trustee, any Trustee can be re-appointed or re-elected.

When appointing new Trustees, the Board will give consideration to the skills and experience mix of existing Trustees in order to ensure that the Board has the necessary skills to contribute fully to the MAT's development.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

e. POLICIES AND PROCEDURES ADOPTED FOR THE INDUCTION AND TRAINING OF TRUSTEES

The MAT has a Governors' Handbook, which is issued to all Trustees and Local Governors.

The training and induction provided for new Trustees will depend upon their existing experience, but would always include a tour and a chance to meet staff and pupils. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there are normally only one or two new Trustees a year, induction tends to be done informally and is tailored specifically to the individual. Advantage is taken of specific courses offered by the Local Authority and other bodies.

There is a Trustees' development evening when the need arises (usually annually), which includes training sessions to keep the trustees updated on relevant developments impacting on their roles and responsibilities.

f. ORGANISATIONAL STRUCTURE

The Board of Trustees meets at least three times per year and usually once each term. The Board establishes an overall framework for the governance of the Trust and determines membership, Terms of Reference and procedures of Committees and other groups. It receives reports including policies from its Committees for ratification. It monitors the activities of the Committees through the minutes of their meetings. The Board may from time to time establish working groups to perform specific tasks over a limited timescale.

There is currently one permanent Committee reporting to the board - the Finance and Assets Committee. This Committee meets at least four times a year and is responsible for monitoring, evaluating and reviewing policy and performance in relation to financial management, compliance with reporting and regulatory requirements and reporting, receiving reports from the audit and drafting the annual budget including setting staffing levels. It also incorporates the role of an Audit Committee and evaluates and reviews policy and performance in relation to the MAT's assets.

Each individual Academy also has a Local Governing Body who meet once a term to monitor, evaluate and review policy, practice and performance in relation to curriculum planning, communications, target setting and assessment, examinations and all pastoral issues in their Academy. The responsibilities delegated by the MAT Board are defined in the Scheme of Delegation of Authority and the Scheme of Delegation of Financial Authority.

The Trustees are responsible for setting general policy, adopting an annual plan and budget, approving the statutory accounts, monitoring the Academies by the use of budgets and other data, and making major decisions about the direction of the Academies, capital expenditure and staff appointments.

The Board of Trustees have devolved responsibility for day-to-day management of the Academies to the Executive Principal, Quality Assurance Lead, Finance Director and Academy Leadership Teams (ALT). ALT comprises the Principal and Assistant Principals. The ALT implement the policies laid down by the Trustees and report back to them on performance.

The Executive Principal is the Accounting Officer.

g. PAY POLICY FOR KEY MANAGEMENT PERSONNEL

The Launceston College MAT follows School Teachers' Pay and Conditions to determine the pay for all teaching members of staff. The pay of non-teaching staff is determined using the pay grades set out in the MAT pay policy and reviewed using the pay and grading system set by Trustees. The Executive Principal has the delegated authority for setting pay within the MAT and the MAT Board sets the pay for the Executive Principal.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

h. TRADE UNION FACILITY TIME

Relevant union officials

Number of employees who were relevant union officials during the year	3
Full-time equivalent employee number	3

Percentage of time spent on facility time

Percentage of time	Number of employees
0%	1
1%-50%	2
51%-99%	-
100%	-

Percentage of pay bill spent on facility time

	£	
Total cost of facility time	3,183	
Total pay bill	11,553,259	
Percentage of total pay bill spent on facility time	-	%

Paid trade union activities

Time spent on paid trade union activities as a percentage of total paid facility time hours	-	%
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i. CONNECTED ORGANISATIONS, INCLUDING RELATED PARTY RELATIONSHIPS

There are no related parties which either control or significantly influence the decisions and operations of Launceston College Multi Academy Trust. There are no sponsors or formal Parent Teacher Associations associated with the MAT.

Objectives and Activities

a. OBJECTS AND AIMS

The principal object and activity of the Launceston College Multi Academy Trust is to advance, for the public benefit, education in the United Kingdom, in particular by establishing, maintaining, managing and developing the Multi Academy Trust and by offering a broad range of curriculum for students of different abilities.

The Multi Academy Trust's aim is for young people to be happy, successful and responsible, by learning the knowledge skills and values that are important for society.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

b. OBJECTIVES, STRATEGIES AND ACTIVITIES

Bideford College

The aims of Bideford College in 2017/18 were:

To secure outstanding leadership and management consistently across the College:

- Further developing the ability of the Extended Leadership Team (ELT) (ALT/HOH/HOF/SENDCo) to lead change and improvement, particularly around teaching and learning and monitoring of progress.
- Ensure "minimum" expectations of "good" are being met in all lessons with an increase in observations of "outstanding" progress. Plan, mark, teach.
- Student Voice is an integral part of decision making across the College.
- Develop an effective Vocational Curriculum, which is fit for purpose.
- Ensure high levels of accuracy in moderation of student work, at all Key Stages.
- Use the Appraisal process as a tool to identify CPD needs accurately and to produce a bespoke individually tailored CPD programme for all staff.
- Ensure that 6th form enrolments are accurate and that course expectations are adhered to.
- Increase the number of "strong" passes in threshold subjects and EBACC to 26 % good passes in Ebacc and 33% to 45% in basics.
- Forensic focus on "at risk" groups. Particular focus around SEN groups and PP students.
- Establish an effective reward system which has an immediate impact upon student performance and attitude.
- Establish Aspire programme.
- Establish and embed effective CEIAG programme.
- To continue to track and monitor effective system management across the College.

To improve the quality of teaching and learning:

- Ensure consistently high levels of challenge and engagement for all in every lesson, at all Key Stages.
- Ensure that marking and written feedback provides precise guidance to enable students to know exactly what they need to do and how to improve their work.
- Establish a culture of "excellence" where students draft and redraft work to achieve the very best piece of work.
- Embed the new SOL to ensure that skills and knowledge are taught effectively at all Key Stages to ensure students are able to successfully follow their progress flight paths.
- Embed the new ELT Homework Programme in Year 7/8.
- Monitor the regularity, impact and consistency of homework at all key stages to ensure that it is effective and of use to further learning and progress.
- Embed the Outstanding Teaching Programme to a second cohort. Use the first cohort staff to develop pedagogy across the College.
- Scrutiny of pedagogy in the open bucket subjects to improve outcomes.

To improve behaviour for learning, improve attendance and equip students well for life:

- Embed the new pastoral system
- Scrutinise the effectiveness of teaching and learning and tracking of progress of students in the OSC
- Increase the opportunities for extra-curricular enrichment
- Ensure consistent application of behaviour policy
- Establish a culture where students are hungry for their own success.
- Whole school attendance to be 96%

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To raise attainment and improve rates of progress to meet or surpass target progress grades:

- Increase performance of low ability students and SEN students.
- Engage in whole college project to secure improved outcomes for PP boys
- Ensure Maths/ English- grade 4-5 movement
- Monitoring of performance of students in the Accelerated Learning Groups /SEN/PP
- Focus on ensuring high levels of challenge at KS3 building upon the extensive KS2 planning undertaken last year.

To increase student recruitment and retention:

- Increase student recruitment into Year 6
- Increase student recruitment into Year 12
- Increase student retention across Years 12 and 13
- Widely promote and share the success of the College via all forms of media

Launceston College

Ensure outstanding and effective marking and feedback impacts on student outcome:

- College principles/policy for marking and feedback applied effectively
- Student voice used regularly and effectively to impact/monitor
- Quality and regularity of homework and feedback
- Standards of student work show attainment and progress
- Tasks and deadlines clear and followed up if not met
- Meaningful praise used to motivate; effective action taken to address shortfalls
- All students are clear about next steps, as well as potential and current attainment

Ensure an outstanding learning environment impacts on students outcomes:

- A thinking school; lessons encourage and evidence progress to higher level thinking processes
- Outstanding lesson resources are convincing and skilfully utilized
- Classrooms and corridors feel outstanding and up to date
- A positive climate where students are clear that expectations are for them to achieve or go beyond their target
- Consistent and effective class routines and behaviours allow outstanding learning e.g. prompt lesson (learning)

Raise progress of all groups of students at Key Stage 4 and Key Stage 5, including disadvantaged students:

- Teaching and planning effectively utilising starting points and assessments to plan for continued progress
- Lessons are effectively differentiated to impact on outcomes
- Challenging homework is set to all groups of students
- Opportunities are proactively targeted towards different groups of students to facilitate their development e.g. subject ambassadors, leadership opportunities, student council, interview panels, open evening ambassadors etc
- Class groupings and organization maximize progress for different groups of learners
- Good practice within the faculty and across College is understood, shared and acted upon (e.g. where success for pupil premium students is very high in a specific class/subject)
- Students are encouraged to set and achieve aspirational target grades
- Curriculum provision and design supports all groups of students, including disadvantaged
- Targeted provision and opportunities are planned – e.g. visits and speakers to inspire/motivate; small group consolidation/revision sessions
- Mentoring provision supports individuals within groups
- Impactful reporting and monitoring raises progress

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TRUSTEES' REPORT (continued)
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Egloskerry Primary School

The aims of Egloskerry Primary School in 2017/18 were:

Data and assessment, outcomes and achievement. Raise attainment and pupil progress to be in line with, or better than, national curriculum objective expectations for all cohorts and pupil groups:

- Objective One (Data): By July 2018, improve the % of pupils achieving expected and high standards in each cohort in reading, writing and maths for all pupil groups. Where there are differences in attainment between subjects, ensure that progress is accelerated and that gaps continue to be minimised.
- Objective Two (Assessment): Continue to develop teacher knowledge and confidence to ensure assessment and associated data is accurate, including cross-phase collaboration and transition points (nursery, primary, secondary), and that rapid and effective interventions are put in place at all pupil levels.

Primary pedagogy, quality and standards. Inspire and influence others – within and beyond the school – to believe in the fundamental importance of education in young people's lives and to promote the value of education:

- Objective One: To create an outward-facing school which works with other schools and organisations – in a climate of mutual challenge – to champion best primary practice and secure excellent achievements and progress for all pupils. (Links to Callington Primary School).
- Objective Two: Ensure that the 'Quality and standards of Teaching' are at least 'good or outstanding' in all monitoring judgements (planning, books, learning environment, lesson observations) including EYFS and Phonics provision.

c. PUBLIC BENEFIT

The Multi Academy Trust always strives to provide outstanding education and improve the levels of performance of its students at all levels. The Multi Academy Trust continues to aim to attract high quality teachers and support staff in order to deliver its objectives and advance for the public benefit education in our academies.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Strategic report

Achievements and performance

a. REVIEW OF ACTIVITIES

Bideford College - GCSE

Bideford College was taken into special measures in January 2015 and joined the Launceston College MAT in March 2016.

GCSE results in 2017, with a below average ability cohort, were an improvement on 2016. The results in 2018 with a significantly below average ability cohort were lower than 2017.

	2018	2017	2016
Cohort Size	203	231	245
Percentage of cohort achieving			
4+(A*-C) in English and Maths	46%	61%	50%
5+ in English and Maths	27%	33%	19%
4+ in the English Baccalaureate	23%	26%	19%
5+ in the English Baccalaureate	13%	20%	13%
Attainment			
Attainment 8	38.33	43.17	44.5
English	8.55	9.98	9.5
Maths	7.07	8.17	8.8
Ebacc	11.8	12.29	12.8
Other	10.91	12.72	13.5
Progress			
Progress 8	-0.66	-0.25	-0.44
English	-0.58	0.09	-0.48
Maths	-0.81	-0.31	-0.39
Ebacc	-0.34	-0.01	-0.16
Other	-0.97	-0.67	-0.74

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Bideford College - A Level

Sixth form results in 2017 were an improvement on 2016. The results in 2018 with a weaker cohort were lower than 2017.

KS5 Results	2016	2017	2018
Academic points per entry	26.4	31.9	29.5
Academic points per entry National	31.5	32.1	
Academic points per entry expressed as an A Level grade	C-	C+	C
Applied general points per entry	34.4	35	24.4
Applied general points per entry National	34.7	35.6	
Applied general points per entry expressed as a vocational grade	Dist	Dist	Merit
Tech level points per entry	25	29.6	15.4
Tech level points per entry National	30.8	32.2	
Tech level points per entry expressed as a vocational grade	Dist-	Merit+	Pass
Average progress made in English (for those without an English GCSE grade by the end of KS4)	0.45	1	1.13
Average progress made in English National	-0.09	0	
Average progress made in Maths (for those without a Maths GCSE grade by the end of KS4)	0.55	0	0.5
Average progress made in Maths National	-0.11	0.02	

Egloskerry Primary School

Reading, Writing and Maths Combined	2018
% reaching expected standard	27
% reaching a high score/ working at greater depth	0
Percentage of students meeting expected standard	
Reading	53
Writing	47
Maths	33
Percentage of students achieving higher standard	
Reading	7
Writing	13
Maths	7
Average test scores	
Reading	101.1
Maths	96.6

	Reading	Writing	Maths
Progress Score	-0.11	-0.72	-3.87
Interpretation	Average	Average	Well below average

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TRUSTEES' REPORT (continued)
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Launceston College

Ofsted in 2016 agreed that Launceston College continues to be a good school. Behaviour is outstanding. The sixth form is good and leadership and management of the sixth form are strong. The outstanding curriculum, both in the sixth form and the main school, enables students to make good progress. Students achieve well and achievement has been enhanced by improvements to the curriculum. The provision of vocational options has significantly boosted the employability of our students.

GCSE results in 2018, with a below average ability cohort, were as follows:

	2018	2017	2016	2015	2014
Cohort Size	203	223	184	221	194
	Percentage of cohort achieving				
4+(A*-C) in English and Maths	58	60	67	67	57
5+ in English and Maths	35	28			
4+ in the English Baccalaureate	23	33	34	40	33
5+ in the English Baccalaureate	14	29			
Attainment					
Attainment 8	43.1	46.3	51.5		
English	9.3	10.2	11.3		
Maths	8.4	8.7	9.9		
Ebacc	12.5	13.5	15.3		
Other	13.0	13.9	15.1		
Progress					
Progress 8	-0.1	0.0	0.2		
English	-0.2	0.1	0.4		
Maths	-0.1	-0.2	0.1		
Ebacc	-0.7	0.3	0.6		
Other	-0.2	-0.4	-0.2		

b. KEY PERFORMANCE INDICATORS

The Finance and Assets Committee meet regularly to monitor current performance and expenditure against the current budgets. Temporary surplus funds are invested in the short term in a low risk instant access account to maximise interest received. The MAT works closely with its accountants to ensure systems are robust and targets are met.

The key financial performance indicator for the MAT is the adherence to the financial budgets set at the beginning of the financial year and completion of the budget period in surplus, both of which were met.

c. GOING CONCERN

After making appropriate enquiries, the Board of Trustees has a reasonable expectation that the MAT 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.

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TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2018

Financial review

Most of the MAT's income is obtained from the Department for Education (DfE) via the Education and Skills Funding Agency (ESFA) in the form of recurrent grants, the use of which is restricted to particular purposes. The grants received from the DfE during the year ended 31 August 2018 and the associated expenditure are shown as Restricted Funds in the Statement of Financial Activities.

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

During the 12 months to 31 August 2018, the MAT received total income of £14,915,613 and incurred total expenditure of £14,008,570. As at 31 August 2018, the funds brought forward were £1,705,487 unrestricted funds, £1,083,112 of unspent GAG and £18,243 of start up grant. The funds carried forward as unspent were £2,507,486 of unrestricted funds, £972,186 of GAG and £180,000 of other government grants. Therefore, there was a surplus in the year of £852,830.

The MAT has a deficit in the Local Government Pension Scheme in respect of its non-teaching staff. The deficit is incorporated within the statement of Financial Activity with details in Note 22.

Key financial policies adopted in the year include the Financial Procedures and Scheme of Delegation, which sets out the framework for financial management, including financial responsibilities of the Board, Executive Principle, Senior Leadership Team and other staff, as well as delegated authority for spending. Other policies reviewed and updated where necessary included the reserves policy.

a. RESERVES POLICY

School reserves are reviewed annually – this normally being at the time of budget setting.

The policy of the MAT is to carry forward a prudent level of resources designated to meet the long term cyclical needs of renewal and any other unforeseen contingencies plus a contribution towards future capital projects.

Reserves are built up through close monitoring of the costs and income of the MAT and attempting to make cost savings on the budget throughout the financial year.

The Executive Principal or Finance Director/Business Manager can authorise movement to or from one or more specific reserves subject to the approval of the Finance and Assets Committee and in line with the MAT Scheme of Delegation.

The MAT considers at least £2,000,000 of free reserves to be an appropriate level, with no fixed maximum because this will be dependent on the upcoming needs of each Academy Trust.

The level of reserves at the year ended 31 August 2018 is in excess of £2,000,000 due to a number of reasons:

- Trustees have earmarked a contribution from reserves for a number of large projects, such as the new 3G pitch and outdoor education centre.
- There are a number of grants which are not yet fully spent, but that are 'restricted' for a certain use, therefore these funds need to be carried forward.
- Several faculties and departments have saved funds for specific projects, repairs or replacement equipment. This expenditure is expected in 2018/19 and therefore the funds have been carried forward for this purpose.
- To assist with the decrease in funding and increase in expenditure expected over the next few years.

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The level of free reserves held by the MAT at the year end 31 August 2018 was £2,507,486. The level of restricted reserves held by the MAT at the year end 31 August 2018 was £1,152,186 excluding Pension and Fixed Asset Funds.

The defined benefit pension scheme reserve has a negative balance for all MAT schools. The effect of the deficit position of the pension scheme is that each Academy Trust is paying higher employers' pension contributions over a period of years. The higher employers' pension contributions will be met from the Academy Trust's budgeted annual income. Whilst the deficit will not be immediately eliminated, there should be no actual cash flow deficit on the fund, nor any direct impact on the free reserves of the Academy Trust.

The reserves policy will be reviewed annually.

b. INVESTMENTS POLICY

All arrangements concerning the investment of funds are made upon consultation of the Finance and Assets Committee. Trustees are committed to ensuring that all funds under their control are administered in such a way as to maximise return while minimising risk.

The management of cash flow should ensure that there are always sufficient funds in the main bank accounts to cover operational cost. Banks must be selected from the FSI Approval List included in the Financial Services Compensation Scheme (FSCS).

Trustees authorise the movement of any funds not required for operating expenses into an instant access savings account by the Executive Principal or Finance Director/Business Manager in order to maximise the interest received.

Where significant funds have been accumulated that are not required in the short term for operational expenses, or as part of a planned surplus for a specific project, Trustees may consider the investment of these funds in order to generate a longer term income or capital fund. All arrangements concerning the investment of funds outside of the instant access savings account shall be made upon consultation of the Finance and Assets Committee and should be approved by the ESFA.

The following criteria are used in selecting an appropriate investment:

- What level of risk does the investment represent? The trustees' approach to risk is cautious typical investments will include corporate bonds and fixed interest funds.
- The historical performance of the investment or fund.

c. PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties facing the MAT are as follows:

Financial: The MAT has considerable reliance on continued Government funding through the ESFA. In the last year 94% of the MAT's incoming resources was ultimately Government funded and whilst this level is expected to continue, there is no assurance that Government policy or practice will remain the same or that public funding will continue at the same levels or on the same terms. Recruitment of students to the MAT academies will also be a key focus.

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

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

Staffing: The success of the Multi Academy Trust is reliant on the quality of its staff and so the Trustees monitor and review policies and procedures to ensure continued development and training of staff as well as ensuring there is clear succession planning.

Fraud and mismanagement of funds: The MAT has appointed an auditor to carry out internal checks on financial systems and records as required by the Academy Financial Handbook. All finance staff receive training to keep them up to date with financial practice requirements and develop their skills in this area.

d. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The MAT has continued to strengthen its risk management process throughout the year by improving the process and ensuring staff awareness. A risk register is maintained, reviewed and updated on a regular basis.

The Trustees have assessed the major risks to which the MAT is exposed via a Risk Register, in particular those relating to its finances, teaching, facilities and other operational areas. The Trustees have implemented a number of systems to assess and minimise those risks, including internal controls.

The Trustees examine the financial health formally at least once per term, reviewing performance against budgets and overall expenditure by means of regular update reports at Full Board and Finance Committee meetings. At the year end, the MAT had no significant liabilities arising from trade creditors or debtors where there would be a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit scheme deficit (Local Government Pension Scheme), which is set out in Note 23 to the financial statements, represents a significant potential liability. However as the Trustees consider that the MAT is able to meet its known annual contribution commitments for the foreseeable future, this risk from this liability is minimised.

The Board of Trustees has reviewed the major risks to which the MAT is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks.

Fundraising

The Launceston College MAT undertook fundraising in the year ended 31 August 2018; including non-uniform days and events from which funds are raised for both the MAT and for other charities.

Fundraising events are often student-led, with students raising funds for their chosen 'House Charity', and are on a small scale.

The MAT does not work with any commercial participators, has not received any fundraising complaints and does not place undue pressure on any person to donate. Fundraising is monitored and to the best of our knowledge conforms to recognised standards.

Plans for future periods

a. FUTURE DEVELOPMENTS

The Multi Academy Trust will continue to strive to provide outstanding education and improve the levels of performance of its students at all levels. The Multi Academy Trust will continue to aim to attract high quality teachers and support staff in order to deliver its objectives.

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TRUSTEES' REPORT (continued)
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The Multi Academy Trust will continue to work with partner schools to improve the educational opportunities for students in the wider community.

FUNDS HELD AS CUSTODIAN

The MAT and its Trustees do not act as the Custodian Trustees of any other Charity.

EMPLOYEE INVOLVEMENT AND EMPLOYMENT OF THE DISABLED

Employees have been consulted on issues of concern to them by means of regular consultative committee and staff meetings and have been kept informed on specific matters directly by management. The MAT carries out exit interviews for all staff leaving the organisation and has adopted a procedure of upward feedback for senior management and the Trustees.

The MAT has implemented a number of detailed policies in relation to all aspects of personnel matters including:

- Equal opportunities policy
- Volunteers' policy
- Health & safety policy

In accordance with the MAT's Equal opportunities policy, the MAT has long established fair employment practices in the recruitment, selection, retention and training of disabled staff.

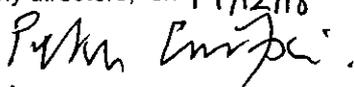
Full details of these policies are available from the MAT's offices.

DISCLOSURE OF INFORMATION TO AUDITORS

Insofar as the Trustees are aware:

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

The Trustees' report, incorporating a strategic report, was approved by order of the Board of Trustees, as the company directors, on 19/12/18 and signed on its behalf by:


P Crispin
Trustee

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

The Board of Trustees has delegated the day-to-day responsibility to the Executive 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 Launceston College and the Secretary of State for Education. They are also responsible for reporting to the Board of Trustees any material weaknesses or breakdowns in internal control.

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 3 times during the year. Attendance during the year at meetings of the Board of Trustees was as follows:

Trustee	Meetings attended	Out of a possible
J Jackson, Executive Principal	3	3
E Marshall	3	3
C Webb	3	3
T Broad	1	1
J White	2	3
D Humphries	3	3
A Shopland	0	3
C Barnard	0	0
J Burnett	0	3
A Ward	2	3

During the year the composition of the Board of Trustees remained broadly consistent. The Finance Director resigned as a Trustee following the release of new 'best practice' guidance from the ESFA and the Trust now operates with the CEO being the only staff trustee.

Governance reviews

Trustee and governor training is arranged as and when necessary, dependent on the skillset and experience of the current members.

Due to the consistency of board membership during 2017/18 and the experience of current members, a full training evening was not deemed necessary. One trustee attended a School Improvement event with the Regional Schools' Commissioner in November 2017.

The Trustees have a development and training evening scheduled for October 2018 which will provide training for all Local Governors and Trustees, as well as reviewing the progress of the MAT.

The skillset and experience of the board is reviewed at each Finance and Assets Committee meeting and gaps are identified for recruitment and training purposes. At each meeting Trustees review the data presented to them and evaluate how it can be adjusted and improved to provide the board with the key information that it needs. This method of continuous review and improvement has enabled the board to develop reports that work for them and enable their work to be effective and impactful.

The Finance and Assets Committee is a sub-committee of the main Board of Trustees.

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

Membership

- 1 x Chair of MAT Board
- 1 x Chief Executive Officer/Executive Principal
- 3 x Trustees
- 1 x Bideford appointed governor
- 1 x Launceston parent governor
- 1 x Egloskerry appointed governor

Members who are not MAT Board Trustees can attend meetings and will have voting rights as long as the majority of Committee members are Trustees.

Quorum

The quorum shall be three members. The majority of voting Committee members at each meeting must be Trustees. Staff members cannot vote when undertaking Audit Committee matters.

Chair

The Committee shall appoint a Chair and Vice Chair in the autumn term of each year.

Meetings

The Committee shall meet at least once per term or otherwise as required.

Terms of Reference

The Committee will be responsible for the following:

- Providing support for MAT staff and the MAT board on all matters relating to academy premises, grounds, security and health and safety.
- Undertaking an annual Health and Safety review of each academy with the support of nominated representatives from the Local Governing Body of that school to ensure that the academy complies with health and safety regulations.
- Work with academy staff to inspect the premises and grounds and prepare a statement of priorities for maintenance, redecoration and improvements.
- To approve tenders and arrangements for maintenance, redecoration and improvements within the constraints of the budget allocated for this purpose.
- To oversee the preparation of tenders and implementation of buildings and grounds contracts.
- To provide guidance and assistance in all matters relating to budgeting and finance.
- To prepare and review financial policy statements including consideration of long term planning and resourcing.
- To consider the annual management plan priorities and present an annual budget to the MAT Board for approval.
- To monitor the income and expenditure of all public funds and report the financial situation to the MAT board each term.
- To recommend the level of delegation for the day to day financial management of each academy.
- To vire funds, if necessary, within the limits set by the MAT board.
- To ensure the audit of non-public funds for presentation to the MAT board.
- To receive and where appropriate respond to periodic audit reports of public funds.
- To review and recommend for adoption the procedures for dealing with discipline and grievance and ensure that staff are informed of them.
- To draft and review, in consultation with staff, criteria for redundancy for the approval of the MAT board.

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

- To draft criteria for the approval of the MAT board about the use of discretionary elements of pay provisions and make recommendations about implementing them.
- To establish the annual and longer term salary budgets and other costs relating to personnel.
- To review the staffing structure whenever a vacancy occurs within an academy and at least annually in relation to each academy's management plan.

The Finance and Assets Committee will also act as the Audit Committee and will undertake the following duties:

- Achieving internal scrutiny which delivers objective and independent assurance. This means that staff employed by the trust should not participate as members when audit matters are discussed; they may remain in attendance to provide information and participate in discussions.
- The Committee's work must focus on providing assurances to the board of the Trustees that risks are being adequately identified and managed by:
 - o Reviewing the risks to internal financial control at the trust
 - o Agreeing a programme of work to address, and provide assurance on, those risks
- The outcome of the work should inform the governance statements that accompany the trust's annual accounts and, so far as is possible, provide assurance to external auditors.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
J Jackson	4	5
E Marshall	4	5
C Webb	5	5
T Broad	3	3
D Humphries (via G Sanders)	5	5
D White	5	5
A Shopland	2	5
A Ward (via C Barnard)	3	5

REVIEW OF VALUE FOR MONEY

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

1. Using benchmarking data from other academies to identify areas for improvement
2. Promoting a culture of financial caution
3. Regularly reviewing operations to see if a more efficient method can be used.

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 MAT 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 Launceston College for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements.

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

CAPACITY TO HANDLE RISK

The Board of Trustees has reviewed the key risks to which the MAT is exposed together with the operating, financial and compliance controls that have been implemented to mitigate those risks. The Board of Trustees is of the view that there is a formal ongoing process for identifying, evaluating and managing the MAT's significant risks, that has been in place for the year 1 September 2017 to 31 August 2018 and up to the date of approval of the annual report and financial statements. This process is regularly reviewed by the Board of Trustees.

THE RISK AND CONTROL FRAMEWORK

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

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

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Griffin Chartered Accountants as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the MAT's financial systems. In particular the checks carried out in the current period included:

- Purchase and cash receipts
- Financial budgeting and monitoring
- Fixed assets
- Payroll
- Income
- Governance and risk management

On a semi-annual basis, the auditor reports to the Board of Trustees through the Finance and Assets Committee on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

The internal auditor delivered their schedule of work as intended and a plan is in place to address weaknesses and ensure continuous improvement.

LAUNCESTON COLLEGE
(A company limited by guarantee)

GOVERNANCE STATEMENT (continued)

REVIEW OF EFFECTIVENESS

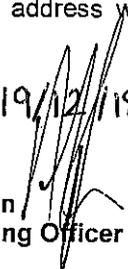
As Accounting Officer, the Executive Principal has responsibility for reviewing the effectiveness of the system of internal control. During the year in question the review has been informed by:

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

Approved by order of the members of the Board of Trustees on 19/12/18 and signed on their behalf, by:


P Crispin
Trustee


J Jackson
Accounting Officer

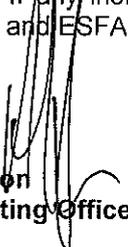
LAUNCESTON COLLEGE
(A company limited by guarantee)

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Launceston College I have considered my responsibility to notify the academy trust board of trustees and the Education & Skills Funding Agency (ESFA) of material irregularity, impropriety and non-compliance with terms and conditions of all funding received by the academy trust, 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 2017.

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 2017.

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


J Jackson
Accounting Officer

Date: 19/12/18.

LAUNCESTON COLLEGE
(A company limited by guarantee)

STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2018

The Trustees (who 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 & Skills Funding Agency, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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

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

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

Approved by order of the members of the Board of Trustees on 19/12/18 and signed on its behalf by:



P Crispin
Trustee

LAUNCESTON COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LAUNCESTON COLLEGE**

OPINION

We have audited the financial statements of Launceston College (the 'academy') for the year ended 31 August 2018 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet, the Statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law, United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

In our opinion the financial statements:

- give a true and fair view of the state of the Multi Academy Trust's affairs as at 31 August 2018 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities SORP 2015 and the Academies Accounts Direction 2017 to 2018 issued by the Education and Skills Funding Agency.

BASIS FOR OPINION

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

CONCLUSIONS RELATING TO GOING CONCERN

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

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

LAUNCESTON COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LAUNCESTON COLLEGE**

OTHER INFORMATION

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

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

We have nothing to report in this regard.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the Multi Academy Trust and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report including the Strategic report.

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

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

RESPONSIBILITIES OF TRUSTEES

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

LAUNCESTON COLLEGE
(A company limited by guarantee)

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
LAUNCESTON COLLEGE**

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

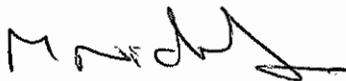
AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

USE OF OUR REPORT

This report is made solely to the Multi Academy Trust'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 Multi Academy Trust'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 Multi Academy Trust and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Misty Nickells FCA (Senior statutory auditor)

for and on behalf of

Griffin

Chartered Accountants

165 High Street

Honiton

Devon

EX14 1LQ

Date: 20/12/18

LAUNCESTON COLLEGE
(A company limited by guarantee)

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
LAUNCESTON COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 31 August 2018 and further to the requirements of the Education & Skills Funding Agency (ESFA) as included in the Academies Accounts Direction 2017 to 2018, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Launceston College during the year 1 September 2017 to 31 August 2018 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 Launceston College and the ESFA in accordance with the terms of our engagement letter. Our work has been undertaken so that we might state to Launceston College and the ESFA those matters we are required to state in a report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Launceston College and the ESFA, for our work, for this report, or for the conclusion we have formed.

RESPECTIVE RESPONSIBILITIES OF LAUNCESTON COLLEGE'S ACCOUNTING OFFICER AND THE REPORTING ACCOUNTANT

The Accounting Officer is responsible, under the requirements of Launceston College's funding agreement with the Secretary of State for Education dated 19 December 2012, and the Academies Financial Handbook extant from 1 September 2017, 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 2017 to 2018. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 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 2017 to 2018 issued by the ESFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

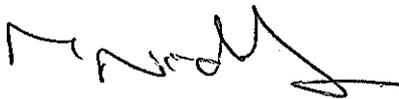
Our engagement includes examination, on a test basis, of evidence relevant to the regularity and propriety of the Multi Academy Trust's income and expenditure.

LAUNCESTON COLLEGE
(A company limited by guarantee)

INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO
LAUNCESTON COLLEGE AND THE EDUCATION & SKILLS FUNDING AGENCY (continued)

CONCLUSION

In the course of our work, nothing has come to our attention which suggests that in all material respects the expenditure disbursed and income received during the year 1 September 2017 to 31 August 2018 have not been applied to purposes intended by Parliament and the financial transactions do not conform to the authorities which govern them.



Misty Nickells FCA

Griffin

Chartered Accountants

165 High Street
Honiton
Devon
EX14 1LQ

Date: 20/12/18

LAUNCESTON COLLEGE
(A company limited by guarantee)

**STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2018**

	Note	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted Fixed Asset funds 2018 £	Total funds 2018 £	Total funds 2017 £
INCOME FROM:						
Donations & capital grants:						
Transfer from Local Authority on conversion	2	76,849	(98,000)	1,520,000	1,498,849	28,683
Other donations and capital grants	2	31,119	-	1,369,268	1,400,387	213,389
Charitable activities	3	619,503	13,848,585	-	14,468,088	14,474,660
Other trading activities	4	334,357	-	-	334,357	340,194
Investments	5	5,200	-	-	5,200	3,127
TOTAL INCOME		1,067,028	13,750,585	2,889,268	17,706,881	15,060,053
EXPENDITURE ON:						
Raising funds		233,025	-	-	233,025	204,890
Charitable activities		32,004	14,393,541	839,481	15,265,026	14,967,674
TOTAL EXPENDITURE	7	265,029	14,393,541	839,481	15,498,051	15,172,564
NET BEFORE TRANSFERS		801,999	(642,956)	2,049,787	2,208,830	(112,511)
Transfers between Funds	17	-	(54,213)	54,213	-	-
NET INCOME / (EXPENDITURE) BEFORE OTHER RECOGNISED GAINS AND LOSSES		801,999	(697,169)	2,104,000	2,208,830	(112,511)
Actuarial gains on defined benefit pension schemes	23	-	1,319,000	-	1,319,000	2,200,000
NET MOVEMENT IN FUNDS		801,999	621,831	2,104,000	3,527,830	2,087,489
RECONCILIATION OF FUNDS:						
Total funds brought forward		1,705,487	(3,896,645)	53,511,779	51,320,621	49,233,132
TOTAL FUNDS CARRIED FORWARD		2,507,486	(3,274,814)	55,615,779	54,848,451	51,320,621

LAUNCESTON COLLEGE
(A company limited by guarantee)
REGISTERED NUMBER: 08150106

BALANCE SHEET
AS AT 31 AUGUST 2018

	Note	£	2018 £	£	2017 £
FIXED ASSETS					
Tangible assets	14		54,782,414		53,094,817
CURRENT ASSETS					
Debtors	15	1,501,066		634,153	
Cash at bank and in hand		3,715,368		3,227,132	
		<u>5,216,434</u>		<u>3,861,285</u>	
CREDITORS: amounts falling due within one year	16	<u>(723,397)</u>		<u>(637,481)</u>	
NET CURRENT ASSETS			<u>4,493,037</u>		<u>3,223,804</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			<u>59,275,451</u>		<u>56,318,621</u>
Defined benefit pension scheme liability	23		<u>(4,427,000)</u>		<u>(4,998,000)</u>
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			<u><u>54,848,451</u></u>		<u><u>51,320,621</u></u>
FUNDS OF THE MULTI ACADEMY TRUST					
Restricted income funds:					
Restricted income funds	17	1,152,186		1,101,355	
Restricted fixed asset funds	17	55,615,779		53,511,779	
Restricted income funds excluding pension liability		<u>56,767,965</u>		<u>54,613,134</u>	
Pension reserve		<u>(4,427,000)</u>		<u>(4,998,000)</u>	
Total restricted income funds			<u>52,340,965</u>		<u>49,615,134</u>
Unrestricted income funds	17		<u>2,507,486</u>		<u>1,705,487</u>
TOTAL FUNDS			<u><u>54,848,451</u></u>		<u><u>51,320,621</u></u>

The financial statements on pages 28 to 59 were approved by the Trustees, and authorised for issue, on 19/12/18 and are signed on their behalf, by:



P Crispin
Trustee

LAUNCESTON COLLEGE
(A company limited by guarantee)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2018

	Note	2018 £	2017 £
Cash flows from operating activities			
Net cash provided by operating activities	19	<u>405,168</u>	<u>689,498</u>
Cash flows from investing activities:			
Interest		5,200	3,127
Purchase of tangible fixed assets		(715,704)	(355,318)
Capital grants from DfE Group		716,723	167,962
Net cash provided by/(used in) investing activities		<u>6,219</u>	<u>(184,229)</u>
Cash transferred		76,849	-
Net cash provided by financing activities		<u>76,849</u>	<u>-</u>
Change in cash and cash equivalents in the year		<u>488,236</u>	<u>505,269</u>
Cash and cash equivalents brought forward		<u>3,227,132</u>	<u>2,721,863</u>
Cash and cash equivalents carried forward	20	<u><u>3,715,368</u></u>	<u><u>3,227,132</u></u>

LAUNCESTON COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES

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

1.1 Basis of preparation of financial statements

The financial statements of the academy trust, which is a public benefit entity under FRS 102, have been prepared under the historical cost convention in accordance with the Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)), the Academies Accounts Direction 2017 to 2018 issued by ESFA, the Charities Act 2011 and the Companies Act 2006.

Launceston College 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 Multi Academy Trust at the discretion of the Trustees.

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

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

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (CONTINUED)

1.3 Income

All income is recognised once the Multi Academy Trust 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 Multi Academy Trust 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 receipt is probable and it is measurable.

Donations are recognised on a receivable basis where receipt is probable 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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 Multi Academy Trust to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities are costs incurred on the Multi Academy Trust's educational operations, including support costs and those costs relating to the governance of the Multi Academy Trust appointed to charitable activities.

All expenditure is 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 Multi Academy Trust 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 Multi Academy Trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the Multi 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.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (CONTINUED)

1.6 Tangible fixed assets and depreciation

All assets costing more than £1,000 are capitalised and are carried at cost, net of depreciation and any provision for impairment.

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

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

Freehold property	-	2 - 10% straight line
Furniture and fixtures	-	20% straight line
Motor vehicles	-	25% straight line
Computer equipment	-	33% straight line

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

1.7 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.

1.8 Taxation

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

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.

LAUNCESTON COLLEGE
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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

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

The Multi Academy Trust only holds basic financial instruments as defined in FRS 102. The financial assets and financial liabilities of the Multi Academy Trust and their measurement basis are as follows:

Financial assets - trade and other debtors are basic financial instruments and are debt instruments measured at amortised cost as detailed in note 15. Prepayments are not financial instruments. Amounts due to the Multi Academy Trust's wholly owned subsidiary are held at face value less any impairment. Cash at bank is classified as a basic financial instrument and is measured at face value.

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (CONTINUED)

1.13 Pensions

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Multi Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 23, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

The Multi Academy Trust acts as an agent in distributing 16-19 bursary funds from the ESFA. Payments received from the ESFA and subsequent disbursements to students are excluded from the Statement of Financial Activities as the Trust does not have control over the charitable application of the funds. The Trust can use up to 5% of the allocation towards its own administration costs and this is recognised in the Statement of Financial Activities. The funds received, paid and any balances held at the period end are disclosed in Note 30.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

1. ACCOUNTING POLICIES (CONTINUED)

1.15 Critical accounting estimates and areas of judgment

Estimates and judgments 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 Multi Academy Trust 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 23, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2016 has been used by the actuary in valuing the pensions liability at 31 August 2018. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgment:

The Multi Academy Trust obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Multi Academy Trust to determine, based on an evaluation of terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted Fixed Asset funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Transfer from Local Authority on conversion	76,849	(98,000)	1,520,000	1,498,849	28,683
Donations	31,119	-	-	31,119	22,787
Capital Grants	-	-	1,369,268	1,369,268	190,602
Subtotal	31,119	-	1,369,268	1,400,387	213,389
	107,968	(98,000)	2,889,268	2,899,236	242,072
<i>Total 2017</i>	22,787	-	219,285	242,072	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

3. FUNDING FOR MULTI ACADEMY TRUST'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
DfE/ESFA grants				
General Annual Grant	-	12,422,731	12,422,731	12,464,035
Start Up Grants	-	-	-	25,000
Other DfE/ ESFA Grants	-	311,692	311,692	81,720
Pupil Premium	-	691,602	691,602	806,018
	<u>-</u>	<u>13,426,025</u>	<u>13,426,025</u>	<u>13,376,773</u>
Other government grants				
Special Educational Needs	-	362,380	362,380	391,022
Other government grants	-	59,680	59,680	53,897
	<u>-</u>	<u>422,060</u>	<u>422,060</u>	<u>444,919</u>
Other funding				
Other income from the Multi Academy Trust's educational operations	619,503	500	620,003	652,968
	<u>619,503</u>	<u>500</u>	<u>620,003</u>	<u>652,968</u>
	<u>619,503</u>	<u>13,848,585</u>	<u>14,468,088</u>	<u>14,474,660</u>
<i>Total 2017</i>	<u>606,716</u>	<u>13,867,944</u>	<u>14,474,660</u>	

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	Total funds 2017 £
Hire of facilities	138,474	-	138,474	172,462
Other	195,883	-	195,883	167,732
	<u>334,357</u>	<u>-</u>	<u>334,357</u>	<u>340,194</u>
<i>Total 2017</i>	<u>340,194</u>	<u>-</u>	<u>340,194</u>	

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NOTES TO THE FINANCIAL STATEMENTS
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5. INVESTMENT INCOME

	Unrestricted funds 2018 £	Restricted funds 2018 £	Total funds 2018 £	<i>Total funds 2017 £</i>
Investment income	<u>5,200</u>	<u>-</u>	<u>5,200</u>	<u>3,127</u>
<i>Total 2017</i>	<u>3,127</u>	<u>-</u>	<u>3,127</u>	

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

6. CHARITABLE ACTIVITIES

	Total funds 2018 £	<i>Total funds 2017 £</i>
DIRECT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	7,591,764	7,623,793
National insurance	735,027	750,820
Pension cost	1,375,185	1,315,324
Depreciation	694,323	598,983
Pension income	-	50,000
Educational Supplies	236,929	230,747
Examination fees	240,408	240,736
Other costs	21,186	46,395
Supply teachers	28,559	1,337
Technology costs	78,823	115,200
	<u>11,002,204</u>	<u>10,973,335</u>
SUPPORT COSTS - EDUCATIONAL OPERATIONS		
Wages and salaries	1,549,663	1,537,603
National insurance	90,587	92,199
Pension cost	701,474	581,511
Depreciation	145,158	122,839
Pension income	131,000	92,000
Staff development	91,468	51,424
Recruitment and other staff costs	4,747	7,834
Maintenance of premises and equipment	394,108	392,461
Cleaning	39,562	34,494
Rent and rates	191,378	225,732
Heat and light	216,239	176,468
Insurance	67,218	71,437
Security and transport	60,737	78,225
Catering	307,174	294,021
Technology costs	98,614	75,253
Office overheads	54,511	75,577
Legal and professional	99,465	62,216
Bank interest and charges	6,246	11,735
Governance costs	13,473	11,310
	<u>4,262,822</u>	<u>3,994,339</u>
	<u><u>15,265,026</u></u>	<u><u>14,967,674</u></u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

7. EXPENDITURE

	Staff costs 2018 £	Premises 2018 £	Other costs 2018 £	Total 2018 £	Total 2017 £
Expenditure on raising voluntary income	-	-	210,964	210,964	192,394
Expenditure on fundraising trading	-	-	22,061	22,061	12,496
Activities:					
Direct costs	9,730,473	645,903	625,828	11,002,204	10,973,335
Support costs	2,341,786	976,322	944,714	4,262,822	3,994,339
	<u>12,072,259</u>	<u>1,622,225</u>	<u>1,803,567</u>	<u>15,498,051</u>	<u>15,172,564</u>
<i>Total 2017</i>	<u>11,901,250</u>	<u>1,504,129</u>	<u>1,767,185</u>	<u>15,172,564</u>	

8. NET INCOME/(EXPENDITURE)

This is stated after charging:

	2018 £	2017 £
Depreciation of tangible fixed assets:		
- owned by the charity	839,481	721,820
Auditors' remuneration - audit	8,250	7,750
Auditors' remuneration - other services	3,000	3,560
Operating lease rentals	<u>90,473</u>	<u>109,701</u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

9. STAFF COSTS

a. Staff costs

Staff costs were as follows:

	2018	2017
	£	£
Wages and salaries	9,119,164	9,157,846
Social security costs	825,614	843,019
Operating costs of defined benefit pension schemes	2,076,659	1,896,835
	<u>12,021,437</u>	<u>11,897,700</u>
Agency staff costs	28,559	-
Staff restructuring costs	22,263	3,550
	<u>12,072,259</u>	<u>11,901,250</u>

b. Non-statutory/non-contractual staff severance payments

Included in staff restructuring costs are non-statutory/ non-contractual severance payments totalling £Nil (2017: £3,550). The restructuring cost in the year to 31 August 2018 is contractual.

c. Staff numbers

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

	2018	2017
	No.	No.
Teaching	182	165
Administration and support	219	208
Management	15	15
	<u>416</u>	<u>388</u>

Average headcount expressed as a full time equivalent:

	2018	2017
	No.	No.
Teaching	152	151
Administration and support	135	138
Management	15	15
	<u>302</u>	<u>304</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

9. STAFF COSTS (continued)

d. Higher paid staff

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

	2018	2017
	No.	No.
In the band £60,001 - £70,000	2	2
In the band £70,001 - £80,000	2	0
In the band £80,001 - £90,000	1	1
In the band £90,001 - £100,000	0	1
In the band £100,001 - £200,000	1	0

e. Key management personnel

The key management personnel of the Multi Academy Trust comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Management Team of the MAT 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 Multi Academy Trust was £530,553 (2017: £447,417).

10. CENTRAL SERVICES

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

- Finance function
- Payroll function
- Health and Safety function
- School Improvement function
- Leadership

The Trust charges for these services on the following basis:

Student numbers with the exception of school improvement (2017: Student numbers with the exception of school improvement)

The actual amounts charged during the year were as follows:

	2018	2017
	£	£
Launceston College	273,489	238,349
Bideford College	291,831	273,810
Egloskerry	20,193	-
	<u>585,513</u>	<u>512,159</u>
Total	<u>585,513</u>	<u>512,159</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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11. 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:

		2018 £	2017 £
J Jackson	Remuneration	105,000-110,000	<i>95,000-100,000</i>
	Pension contributions paid	15,000-20,000	<i>15,000-20,000</i>
T Broad	Remuneration	20,000-25,000	<i>55,000-60,000</i>
	Pension contributions paid	0-5,000	<i>10,000-15,000</i>

During the year, no Trustees received any benefits in kind (2017 - £NIL).

During the year ended 31 August 2018, expenses totalling £35 (2017 - £402) were reimbursed to one Trustee (2017 - 3).

12. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the Multi Academy Trust has purchased insurance to protect trustees and officers from claims arising from negligent acts, errors or omissions occurring whilst on academy business. The insurance provides cover up to £5,000,000 on any one claim and the cost for the year ended 31 August 2018 was £1,079 (2017 - £1,217).

13. OTHER FINANCE INCOME

	2018 £	2017 £
Interest income on pension scheme assets	170,000	<i>125,000</i>
Interest on pension scheme liabilities	(301,000)	<i>(267,000)</i>
	<u>(131,000)</u>	<i><u>(142,000)</u></i>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

14. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Office equipment £	Computer equipment £	Total £
Cost					
At 1 September 2017	54,858,977	64,908	71,452	289,330	55,284,667
Additions	2,476,999	5,758	33,403	10,918	2,527,078
At 31 August 2018	<u>57,335,976</u>	<u>70,666</u>	<u>104,855</u>	<u>300,248</u>	<u>57,811,745</u>
Depreciation					
At 1 September 2017	1,886,765	27,897	53,893	221,295	2,189,850
Charge for the year	780,938	12,886	8,313	37,344	839,481
At 31 August 2018	<u>2,667,703</u>	<u>40,783</u>	<u>62,206</u>	<u>258,639</u>	<u>3,029,331</u>
Net book value					
At 31 August 2018	<u>54,668,273</u>	<u>29,883</u>	<u>42,649</u>	<u>41,609</u>	<u>54,782,414</u>
At 31 August 2017	<u>52,972,212</u>	<u>37,011</u>	<u>17,559</u>	<u>68,035</u>	<u>53,094,817</u>

15. DEBTORS

	2018 £	2017 £
Trade debtors	27,822	13,926
Amounts owed by group undertakings	6,000	-
VAT	76,856	70,012
Other debtors	-	234,590
Prepayments and accrued income	1,390,388	315,625
	<u>1,501,066</u>	<u>634,153</u>

16. CREDITORS: Amounts falling due within one year

	2018 £	2017 £
Trade creditors	70,759	-
Other creditors	214,787	174,321
Accruals and deferred income	437,851	463,160
	<u>723,397</u>	<u>637,481</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

16. CREDITORS: Amounts falling due within one year (continued)

	2018 £	2017 £
Deferred income		
Deferred income at 1 September 2017	670	19,089
Resources deferred during the year	65,603	670
Amounts released from previous years	(670)	(19,089)
	65,603	670
Deferred income at 31 August 2018	65,603	670

At the balance sheet date the Trust was holding funds received in advance of the 2018/19 year.

17. STATEMENT OF FUNDS

	Balance at 1 September 2017 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2018 £
Unrestricted funds						
General Funds	1,705,487	1,067,028	(265,029)	-	-	2,507,486
Restricted funds						
General Annual Grant (GAG)	1,083,112	12,422,731	(12,499,872)	(33,785)	-	972,186
Special Educational Needs	-	362,380	(362,380)	-	-	-
Start up grant	18,243	-	(18,243)	-	-	-
Pupil Premium	-	691,602	(691,602)	-	-	-
Other Government grants	-	371,372	(170,944)	(20,428)	-	180,000
Other income restricted	-	500	(500)	-	-	-
Pension reserve	(4,998,000)	(98,000)	(650,000)	-	1,319,000	(4,427,000)
	(3,896,645)	13,750,585	(14,393,541)	(54,213)	1,319,000	(3,274,814)

LAUNCESTON COLLEGE
(A company limited by guarantee)

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

17. STATEMENT OF FUNDS (continued)

Restricted fixed asset funds

Fixed assets transferred on conversion	51,994,967	1,520,000	(642,772)	-	-	52,872,195
Fixed assets purchased from GAG and other restricted funds	114,188	-	(58,156)	234,637	-	290,669
DfE/ ESFA Capital grants	1,394,968	855,150	(136,883)	(180,424)	-	1,932,811
Other capital grants	7,656	514,118	(1,670)	-	-	520,104
	<u>53,511,779</u>	<u>2,889,268</u>	<u>(839,481)</u>	<u>54,213</u>	<u>-</u>	<u>55,615,779</u>
Total restricted funds	<u>49,615,134</u>	<u>16,639,853</u>	<u>(15,233,022)</u>	<u>-</u>	<u>1,319,000</u>	<u>52,340,965</u>
Total of funds	<u>51,320,621</u>	<u>17,706,881</u>	<u>(15,498,051)</u>	<u>-</u>	<u>1,319,000</u>	<u>54,848,451</u>

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

General Annual Grant - Income from ESFA which is to be used for the normal running costs of the Trust, including education and support costs.

Start up grant - This represents one off funding received from the ESFA to contribute to the cost of converting from a school to an Academy.

Special Educational Needs - Funding received by the local authority to fund further support for students with additional needs.

Pupil Premium - Pupil Premium represents funding received from the ESFA for children that qualify for free school meals to enable the Trust to address the current underlying inequalities between those children and their wealthier peers.

Other Government grants - Other income from the ESFA/DfE and local government for restricted purposes.

Other restricted income - Other income received with specific restrictions.

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

Non Capital CIF/ DfC funding - Income from the ESFA which is to be used for specific repairs to the Trust's buildings.

Fixed Asset Restricted Funds

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

DfE/ESFA Capital Grants - Funds received for direct expenditure on fixed asset projects. The balance at the year end represents the net book value of assets purchased and any unspent grant amounts.

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

17. STATEMENT OF FUNDS (continued)

Fund Transfers

A transfer has been made between GAG funding and restricted fixed assets to reflect capital items purchased in the year using GAG funding.

A transfer has been made from restricted fixed asset funds in relation to DfE/ESFA funding that was or capital works that have been spent towards projects which have not been capitalised in the accounts.

Under the funding agreement with the Secretary of State, the Multi Academy Trust was not subject to a limit on the amount of GAG that it could carry forward at 31 August 2018.

ANALYSIS OF ACADEMIES BY FUND BALANCE

Fund balances at 31 August 2018 were allocated as follows:

	Total 2018 £	Total 2017 £
Launceston College	1,696,905	1,577,363
Bideford College	1,591,394	1,104,995
Egloskerry	87,083	-
Central Services	284,290	124,484
	<hr/>	<hr/>
Total before fixed asset fund and pension reserve	3,659,672	2,806,842
Restricted fixed asset fund	55,615,779	53,511,779
Pension reserve	(4,427,000)	(4,998,000)
	<hr/>	<hr/>
Total	<u>54,848,451</u>	<u>51,320,621</u>

ANALYSIS OF ACADEMIES BY COST

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

	Teaching & educational support staff costs £	Other support staff costs £	Educational supplies £	Other costs excluding depreciat- ion £	Total 2018 £	Total 2017 £
Launceston College	4,502,271	673,114	111,524	1,285,620	6,572,529	6,840,539
Bideford College	4,520,304	900,775	114,260	920,258	6,455,597	7,104,652
Egloskerry	277,152	41,792	8,374	69,735	397,053	-
Central	227,251	293,537	2,773	59,831	583,392	505,551
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
	<u>9,526,978</u>	<u>1,909,218</u>	<u>236,931</u>	<u>2,335,444</u>	<u>14,008,571</u>	<u>14,450,742</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

17. STATEMENT OF FUNDS (continued)

STATEMENT OF FUNDS - PRIOR YEAR

	<i>Balance at 1 September 2016 £</i>	<i>Income £</i>	<i>Expenditure £</i>	<i>Transfers in/out £</i>	<i>Gains/ (Losses) £</i>	<i>Balance at 31 August 2017 £</i>
General Funds	1,034,976	972,824	(302,313)	-	-	1,705,487
Restricted funds						
General Annual Grant (GAG)	825,900	12,464,035	(12,121,150)	(85,673)	-	1,083,112
Special Educational Needs	-	391,022	(391,022)	-	-	-
Start up grant	-	25,000	(6,757)	-	-	18,243
Pupil Premium	-	806,018	(806,018)	-	-	-
Other Government grants	-	135,617	(135,617)	-	-	-
Other income restricted	-	46,252	(46,252)	-	-	-
Non Capital CIF/DfC funding	-	-	(111,613)	111,613	-	-
Pension reserve	(6,668,000)	-	(530,000)	-	2,200,000	(4,998,000)
	<u>(5,842,100)</u>	<u>13,867,944</u>	<u>(14,148,429)</u>	<u>25,940</u>	<u>2,200,000</u>	<u>(3,896,645)</u>
Restricted fixed asset funds						
Fixed assets transferred on conversion	52,618,631	-	(623,664)	-	-	51,994,967
Fixed assets purchased from GAG and other restricted funds	74,965	-	(47,818)	87,041	-	114,188
DfE/ ESFA Capital grants	1,346,660	209,565	(49,644)	(111,613)	-	1,394,968
Other capital grants	-	9,720	(696)	(1,368)	-	7,656
	<u>54,040,256</u>	<u>219,285</u>	<u>(721,822)</u>	<u>(25,940)</u>	<u>-</u>	<u>53,511,779</u>
Total restricted funds	<u>48,198,156</u>	<u>14,087,229</u>	<u>(14,870,251)</u>	<u>-</u>	<u>2,200,000</u>	<u>49,615,134</u>
Total of funds	<u>49,233,132</u>	<u>15,060,053</u>	<u>(15,172,564)</u>	<u>-</u>	<u>2,200,000</u>	<u>51,320,621</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

18. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2018 £	Restricted funds 2018 £	Restricted Fixed Asset funds 2018 £	Total funds 2018 £
Tangible fixed assets	-	-	54,782,414	54,782,414
Current assets	3,230,883	1,152,186	833,365	5,216,434
Creditors due within one year	(723,397)	-	-	(723,397)
Provisions for liabilities and charges	-	(4,427,000)	-	(4,427,000)
	<u>2,507,486</u>	<u>(3,274,814)</u>	<u>55,615,779</u>	<u>54,848,451</u>

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2017 £	Restricted funds 2017 £	Restricted Fixed Asset funds 2017 £	Total funds 2017 £
Tangible fixed assets	-	-	53,094,817	53,094,817
Current assets	2,342,968	1,101,355	416,962	3,861,285
Creditors due within one year	(637,481)	-	-	(637,481)
Provisions for liabilities and charges	-	(4,998,000)	-	(4,998,000)
	<u>1,705,487</u>	<u>(3,896,645)</u>	<u>53,511,779</u>	<u>51,320,621</u>

19. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	2018 £	2017 £
Net income/(expenditure) for the year (as per Statement of Financial Activities)	2,208,830	(112,511)
Adjustment for:		
Depreciation charges	839,481	721,822
Interest from investments	(5,200)	(3,127)
(Increase)/decrease in debtors	(139,204)	82,389
Decrease in creditors	(205,458)	(308,790)
Capital grants from DfE and other capital income	(1,444,432)	(219,285)
Defined benefit pension scheme cost less contributions payable	519,000	387,000
Defined benefit pension scheme finance cost	131,000	142,000
Net (loss) on assets and liabilities from local authority on conversion	(1,498,849)	-
Net cash provided by operating activities	<u>405,168</u>	<u>689,498</u>

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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018**

20. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2018 £	2017 £
Cash in hand	3,715,368	3,227,132
Total	3,715,368	3,227,132

21. CONVERSION TO AN ACADEMY TRUST

On 01 September 2017 Egloskerry Primary School converted to academy trust status under the Academies Act 2010 and all the operations and assets and liabilities were transferred to Launceston College from Cornwall Council for £NIL consideration.

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

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

	Unrestricted funds £	Restricted funds £	Restricted Fixed Asset funds £	Total funds £
Freehold/leasehold land and buildings	-	-	1,520,000	1,520,000
Budget surplus/(deficit) on LA funds	68,690	-	-	68,690
Budget surplus/(deficit) on other school funds	8,159	-	-	8,159
LGPS pension surplus/(deficit)	-	(98,000)	-	(98,000)
Net assets/(liabilities)	76,849	(98,000)	1,520,000	1,498,849

The above net assets include £76,849 that were transferred as cash.

22. CAPITAL COMMITMENTS

At 31 August 2018 the Multi Academy Trust had capital commitments as follows:

	2018 £	2017 £
Contracted for but not provided in these financial statements	-	304,285
	-	304,285

23. PENSION COMMITMENTS

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

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

23. PENSION COMMITMENTS (continued)

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

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

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge.
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

The employer's pension costs paid to TPS in the period amounted to £1,017,649 (2017 - £1,017,000).

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

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

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

out above the information available on the scheme.

Local Government Pension Scheme

The LGPS is a funded defined benefit scheme, with assets held in separate trustee-administered funds. The total contribution made for the year ended 31 August 2018 was £692,000 (2017 - £630,000), of which employer's contributions totalled £544,000 (2017 - £498,000) and employees' contributions totalled £148,000 (2017 - £132,000). The agreed contribution rates for future years are 15.4% - 16.9% for employers and an average of 6.1% 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.
Cornwall Pension Fund

Principal actuarial assumptions:

	2018	2017
Discount rate for scheme liabilities	2.80 %	2.50 %
Rate of increase in salaries	2.40 %	2.50 %
Rate of increase for pensions in payment / inflation	2.50 %	2.40 %

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

	2018	2017
Retiring today		
Males	22.1	22.1
Females	24.5	24.5
Retiring in 20 years		
Males	24.0	24.0
Females	26.4	26.4

Devon County Council Pension Fund

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

	2018	2017
Discount rate for scheme liabilities	2.70 %	2.60 %
Rate of increase in salaries	3.80 %	4.20 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

23. PENSION COMMITMENTS (continued)

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

	2018	2017
Retiring today		
Males	23.5	23.4
Females	25.6	25.5
Retiring in 20 years		
Males	25.8	25.7
Females	28.0	27.9

Sensitivity analysis	At 31 August 2018	At 31 August 2017
	£	£
Discount rate +0.1%	(472,940)	(284,000)
Discount rate -0.1%	475,940	287,000
Mortality assumption - 1 year increase	252,140	350,800
Mortality assumption - 1 year decrease	(246,140)	(345,800)
CPI rate +0.1%	379,800	221,000
CPI rate -0.1%	376,800	(218,000)

The Multi Academy Trust's share of the assets in the scheme was:

	Fair value at 31 August 2018	Fair value at 31 August 2017
	£	£
Equities	3,623,550	3,245,330
Debt instruments	3,179,850	1,862,770
Property	517,650	481,730
Cash and other liquid assets	73,950	175,170
Target return portfolio	-	338,000
Infrastructure and alternative assets	-	211,000
Total market value of assets	7,395,000	6,314,000

The actual return on scheme assets was £275,000 (2017 - £614,000).

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23. PENSION COMMITMENTS (continued)

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

	2018 £	2017 £
Current service cost	(1,061,000)	(885,000)
Interest income	170,000	125,000
Interest cost	(301,000)	(267,000)
Admin expenses	(2,000)	-
	<u> </u>	<u> </u>
Total	<u><u>(1,194,000)</u></u>	<u><u>(1,027,000)</u></u>

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

	2018 £	2017 £
Opening defined benefit obligation	11,312,000	12,252,000
Upon conversion	220,000	-
Current service cost	1,061,000	885,000
Interest cost	301,000	267,000
Employee contributions	148,000	132,000
Actuarial gains	(1,106,000)	(2,150,000)
Benefits paid	(114,000)	(74,000)
	<u> </u>	<u> </u>
Closing defined benefit obligation	<u><u>11,822,000</u></u>	<u><u>11,312,000</u></u>

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

	2018 £	2017 £
Opening fair value of scheme assets	6,314,000	5,584,000
Upon conversion	122,000	-
Interest income	170,000	125,000
Actuarial losses	213,000	50,000
Employer contributions	544,000	498,000
Employee contributions	148,000	132,000
Benefits paid	(114,000)	(74,000)
Administration costs	(2,000)	(1,000)
	<u> </u>	<u> </u>
Closing fair value of scheme assets	<u><u>7,395,000</u></u>	<u><u>6,314,000</u></u>

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2018

24. OPERATING LEASE COMMITMENTS

At 31 August 2018 the total of the Multi Academy Trust's future minimum lease payments under non-cancellable operating leases was:

	2018	2017
	£	£
Amounts payable:		
Within 1 year	50,165	83,672
Between 1 and 5 years	70,360	120,523
Total	<u>120,525</u>	<u>204,195</u>

25. 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.

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NOTES TO THE FINANCIAL STATEMENTS
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26. RELATED PARTY TRANSACTIONS

Owing to the nature of the academy trust and the composition of the board of trustees being drawn from local public and private sector organisations, transactions may take place with organisations in which Trustees have an interest. All transactions involving such organisations are conducted in accordance with the requirements of the AFH and with the Multi Academy Trust's financial regulations and normal procurement procedures relating to connected and related party transactions.

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

Excluding remuneration paid to staff Trustees, no related party transactions took place in the period of account except the following:

The Caradon Co-Operative Educational Trust, of which J Jackson (Executive Principal) was a trustee until 19 July 2017, was charged £3,877 (2017: £17,969), for grounds maintenance and other services provided by Launceston College. At the year end £nil (2017: £nil) was included within debtors.

Duchy Academy Trust, of which A Counsell (Member) is also an employee, charged Launceston College £2,000 (2017: £6,240) for the provision of teaching Launceston College students.

Homeleigh Garden Centre, a company of which the spouse of T Broad (Trustee) is a director, charged Launceston College £82 (2017: £67) for purchases made.

South West Lakes Limited, of which A Shopland (Trustee) is a non-executive director, charged Launceston College £780 (2017: £3,101) for summer school activities of teaching Launceston College students.

Peter Crispin (Member), charged Launceston College £Nil (2017: £600) for services provided.

Greenpower Education Trust, of which E Kerr (Egloskerry Headteacher) is a trustee, charged Launceston College £910 (2017: £nil) for purchases made.

27. POST BALANCE SHEET EVENTS

On 01 October 2018 Atlantic Academy (previously Route 39) joined the MAT.

28. AGENCY ARRANGEMENTS

The Multi Academy Trust distributes 16-19 bursary funds to students as an agent for the ESFA. In the accounting period ended 31 August 2018 the Multi Academy Trust received £48,282 (2017: £56,254) and disbursed £8,163 (2017: £6,116) from the fund. An amount of £208,782 (2017: £168,663) is included in other creditors relating to undistributed funds that is repayable to the ESFA.

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NOTES TO THE FINANCIAL STATEMENTS
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29. SUBSIDIARY UNDERTAKING

Launceston College is the sole trustee and sole member of Launceston College Nursery. Launceston College Nursery is an independent charity (charity number 1173933), operating as an unincorporated association. It was registered on 25 July 2017.

During the year Launceston College did not have any guarantees, capital commitments, contingent liabilities, pension commitments or any other financial commitments on behalf of Launceston College Nursery.

For the year ended 31 August 2018 the financial statements of Launceston College did not include any transactions related to Launceston College Nursery.

The subsidiary is deemed not to be material to the Academy Trust and as such consolidated accounts for the year ended 31 August 2018 have not been prepared in accordance with the exemption under section 405 of the Companies Act 2006.

	2018	2017
	£	£
Turnover	48,679	-
Cost of sales and administration costs	(46,623)	-
	<u>2,056</u>	<u>-</u>

The aggregate reserves of Launceston College Nursery for the year ended 31 August 2018 were £2,056 (2017: £Nil).