

**HORIZON MULTI ACADEMY TRUST
FORMERLY KNOWN AS ELBURTON PRIMARY SCHOOL ACADEMY
(A COMPANY LIMITED BY GUARANTEE)**

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2016

CONTENTS

	Page
Reference and administrative details	1 - 2
Trustees' report	3 - 12
Governance statement	13 - 16
Statement on regularity, propriety and compliance	17
Statement of Trustees' responsibilities	18
Independent auditors' report on the financial statements	19 - 20
Independent reporting accountant's assurance report on regularity	21 - 22
Statement of financial activities incorporating income and expenditure account	23
Balance sheet	24
Statement of cash flows	25
Notes to the financial statements	26 - 46

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS
FOR THE YEAR ENDED 31 AUGUST 2016**

Members	Mrs F Court Mr D Farmer Mr D Green
Trustees	Dr C Adams, Vice Chair (resigned 31 August 2016) ^{1,2,4} Mr D Bradford, Headteacher ^{1,2,3} Mrs F Court, Chair of Trustees ^{1,2,3,4} Mr J Dobson ^{1,2,3,4} Mr S Drake (resigned 31 August 2016) ^{1,2,3} Mr D Green (resigned 31 August 2016) ³ Mrs V Gregory (resigned 31 August 2016) ^{1,3} Mjr C Hall (resigned 31 August 2016) Mrs C Haynes (resigned 31 August 2016) ^{1,4} Mrs S Lovejoy (resigned 10 December 2015) ¹ Miss E Marriott (resigned 31 August 2016) Cllr V Pengelly (resigned 6 June 2016) ³ Mr K Pullan (resigned 1 March 2016) ^{1,3,4} Mrs J Rickard (resigned 31 August 2016) ^{1,2} Mr J Senior (resigned 31 August 2016) ^{2,3,4} Mr K Smithers (resigned 31 August 2016) ² Mr D Farmer (resigned 31 August 2016) E Roberts (appointed 1 September 2016) Mr P Gale (appointed 1 September 2016) Mr S Jones (appointed 1 September 2016) S Shelley (appointed 1 September 2016) Mr A J Evans (appointed 1 September 2016) C Redding (appointed 1 September 2016) 1 Finance & Personnel 2 Standards 3 Premises 4 Pay & Appraisal
Company registered number	08084557
Company name	Horizon Multi Academy Trust
Principal and registered office	Haye Road South Elburton Plymouth Devon PL9 8HJ
Company secretary	Mrs S Goode
Accounting Officer	Mr D Bradford
Senior leadership team	Mr D Bradford, Headteacher Mr T Epps, Deputy Headteacher Mr K Smithers, Assistant Headteacher

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**REFERENCE AND ADMINISTRATIVE DETAILS OF THE ACADEMY TRUST, ITS TRUSTEES AND
ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2016**

Advisers (continued)

Independent auditors	Bishop Fleming LLP Chartered Accountants Statutory Auditors Salt Quay House 4 North East Quay Sutton Harbour Plymouth PL4 0BN
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**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2016**

The Trustees present their annual report together with the financial statements and auditors' report of the charitable company for the year ended 31 August 2016. The annual report serves the purpose of both a Trustees' report, and a Directors' report under company law. This report applies to just Elburton Primary school as the multi academy trust was formed post year end.

The Trust operates an academy for pupils aged 4 to 11 in Elburton, Plymouth. It has a pupil capacity of 420 and had a roll of 426 in the school census on 23 May 2016.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Constitution

The Academy Trust is a company limited by guarantee and an exempt charity. The charitable company's Memorandum and Articles of Association are the primary governing documents of the Academy Trust.

New Articles of Association were adopted on 20/9/16 in relation to the formation of the Multi Academy Trust.

The Trustees of Horizon Multi Academy Trust are also the directors of the charitable company for the purposes of company law. The charitable company is known as Horizon Multi Academy Trust.

Details of the Trustees who served throughout the year, except as noted, are included in the Reference and Administrative Details on pages 1 to 2.

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 they ceased to be a member.

Trustees' Indemnities

Trustees benefit from indemnity insurance purchased at the Academy Trust's expense to cover the liability of the Trustees which by virtue of any rule of law would otherwise attach to them in respect of any negligence, default or breach of trust or breach of duty of which they may be guilty in relation to the Academy Trust, provided that any such insurance shall not extend to any claim arising from any act or omission which the Trustees knew to be a breach of trust or breach of duty or which was committed by the Trustees in reckless disregard to whether it was a breach of trust or breach of duty or not and provided also that any such insurance shall not extend to the costs of any unsuccessful defence to a criminal prosecution brought against the Trustees in their capacity as Directors of the Academy Trust. The limit of this indemnity is £5,000,000.

TRUSTEES

Method of Recruitment and Appointment or Election of Trustees

The Board of Trustees is made up of: three Member Governors; three Staff Governors; up to six Parent Governors; up to ten Community Governors; and the Headteacher.

The Staff Governors shall be elected by staff employed by the Academy. The Staff Governor must hold a permanent contract. Any election of Staff Governors which is contested shall be held by secret ballot.

The Parent Governors shall be elected by parents of registered pupils at the Academy. A Parent Governor must be a parent of a pupil at the Academy at the time when they are elected. The Governing Body shall make all necessary arrangements for, and determine all other matters relating to, an election of Parent Governors, including any question of whether a person is a parent of a registered pupil at the Academy. Any election of Parent Governors which is contested shall be held by secret ballot.

Policies and Procedures Adopted for the Induction and Training of Trustees

At Elburton Primary School the Board of Trustees and Headteacher are aware that it is essential that all new Trustees receive a comprehensive induction package covering a broad range of issues. We are committed to ensure that new Trustees are given the necessary information and support to fulfill their role with confidence and we are continually looking at new and better ways to improve this induction process. We believe that well-

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

informed Trustees lead to more effective governance. All new Trustees are welcomed to the Board of Trustees.

New governors will:

- be welcomed to the governing body by the chair and vice chair, who will explain how the governing body and its committees are conducted, an overview of the governor's role and governor training;
- be invited by the headteacher to visit the school, be given a tour of the school to experience its atmosphere, meet staff and children and understand its ethos;
- have the opportunity to meet informally with existing governors and learn more about the role of being a governor;
- be given background material on the school and current issues;
- be encouraged to ask questions about their role and/or the school;
- be encouraged to access training including induction training for governors;
- the existing members of the governing body are encouraged to mentor new governors.

New governors will receive and be encouraged to read:

- Ofsted Report and Action Plan (if appropriate in the last 4 years);
- School Success Plan (current year);
- School Improvement Plan (1 – 3 year plan);
- Strategic Plan (3 – 5 year plan);
- Set of Minutes from last Governing Body meeting;
- List of governors names and responsible areas;
- Copy of latest school newsletter;
- Dates of forthcoming governing body meetings and committee.

Organisational Structure

The governing body's role in the Academy is, essentially, responsible for the strategic direction of Elburton Primary School. It should act as a critical friend and be accountable for its decisions. It is responsible for ensuring that the school is run in accordance with the Articles of Association and the Funding Agreement with the EFA.

To facilitate the working of the Governing Body some of its functions are delegated to committees. The committees are: Finance and Personnel; Standards; Premises; Pay and Appraisal Committee; First Committee (which deals with complaints, disciplinary proceedings, dismissals and grievances if these cannot be resolved by the Headteacher or Chair or Governors); Appeals Committee;

The Finance and Personnel - meets once a term

The purpose of the Finance and Personnel Committee is to assist the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity. This includes the audit function. To make appropriate comments and recommendations on such matters to the governing body on a regular basis. Major issues are referred to the full governing body and approval and adoption.

Standards committee - meets once a term

The purpose of the Standards Committee is to assist in the decision making of the governing body, by enabling more detailed consideration to be given to the best means of fulfilling the governing body's responsibility to ensure terms laid down under the relevant Education Acts relating to the Conduct of the School and curriculum are being met. To consider all detailed matters relating to the pupils' education and social well-being. To make appropriate comments and recommendations on such matters to the governing body on a regular basis. Major issues will be referred to the full governing body for approval and adoption.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Premises committee - meet once a term

The purpose of the Premises Committee is to assist the decision making of the governing body by enabling more detailed consideration to be given to the best means of providing a strategic oversight of the property of the Academy. The strategic oversight shall include recommendations and reports on acquisition, disposal, development and management strategies. To make appropriate comments and recommendations on such matters to the governing body on a regular basis. Major issues will be referred to the full governing body for approval and adoption.

Pay and Appraisal committee - meets twice a year

In the autumn term to review and discuss annual appraisals and pay; in the Spring term for Head teacher's mid-year appraisal, review and update pay and appraisal policies, and determine what provision should be made in the school's budget for discretionary pay awards and progressions.

The committee will also meet to discuss and agree any changes to staff contracts/pay as required.

The committee will also:

- Agree extent to which specific functions relating to pay determination and appeals processes will be delegated to others;
- Assure that appropriate arrangements for linking appraisal to pay are in place for teaching staff, are applied consistently and that pay decisions can be objectively justified;
- Approves teachers' salaries;
- Monitor outcome of pay decisions.

The First Committee

Meet as and when required to deal with any complaints, disciplinary, dismissal or grievance proceedings.

The Appeals Committee

Meet as and when required to respond to any appeals made against the decisions of the First Committee or the Pay and Appraisal Committee.

The Headteacher is the Accounting Officer.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The Trustees consider the Board of Trustees and the senior leadership team comprise the key management personnel of the Academy in charge of directing and controlling, running and operating the Trust on a day to day basis. All Trustees give their time freely and no Trustee received remuneration in the year.

The pay of key management personnel is reviewed annually by the Trustees responsible for Pay and Appraisal and normally reviewed/increased in accordance with Headteacher's recommendations in line with school's pay policy.

Connected Organisations, including Related Party Relationships

There are no related parties, which either control or significantly influence the decisions and operation of Elburton Primary School. There is a Parent Teacher Association associated with the Academy, which operates as an independent charity with any funds raised used for the benefit of the Academy.

OBJECTIVES AND ACTIVITIES

Objects and Aims

At Elburton Primary School we aim to achieve the best for, and from, each child. We intend to enable each child to realise his or her full academic, creative and physical potential and to develop positive social and moral values. Our Academy is a community in which children, staff and parents should be part of a happy and caring environment.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

Mission Statement: "inspiring today's children for tomorrow's world".

The key role for the school is to ensure that all children leave Elburton exceptionally well equipped to embark on the next stage of their education ready to become effective, well-adjusted individuals contributing as responsible citizens in society.

- **INSPIRE**

We will inspire each other to do the best

We will support each other to set high goals

We will have open minds to new ideas and challenges in the world around us

We will inspire each other to become independent, self-motivated and confident in our own abilities.

- **PRIDE**

We will take pride in how we present ourselves and all our achievements

We are proud to belong to the school and the local community

We take pride from our active participation

We take pride in always doing the best we can.

- **FLOURISH**

We have high expectations in all we do and how we do things

We will experience a broad, balanced curriculum with exciting experiences

We will learn how to live, work and play together and learn from each other

We will achieve the very best we can attaining personal milestones even if they are small steps

- **SAFE**

We provide a safe, friendly and supportive environment in which to thrive

We foster a nurturing environment in which positive relationships meet all pupils' needs

We will build happy and positive relationships where pupils feel secure to be wrong!

We will build a community where all feel safe and free from fear.

- **RESPECT**

We value all, irrespective of individual differences

We will show good manners and courtesy to all and take responsibility for our actions

We will respect ourselves through trying our best to be healthy, active and confident

We recognise and promote fundamental British values of tolerance, fair play and being truthful.

Objectives, Strategies and Activities

Key priorities for the year are contained in the Academy School Success Plan 2015-2016 and the School Development Plan 2015 – 2018. Both documents are published on the school website.

Key activities and targets were influenced by the significant challenges and opportunities arising from National changes in education policy and funding. The activities included are detailed under Achievements and Performance.

Public Benefit

The Trustees confirm that they have complied with the duty in Section 17(5) of the Charities Act 2011 to have due regard to the Charity Commission's general guidance on public benefit in exercising their powers or duties. They have referred to this guidance when reviewing the Academy Trust's aims and objectives and in planning its future activities.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

STRATEGIC REPORT

Achievements and Performance

The school is in its third year as an Academy and has enjoyed many freedoms coupled with extra responsibilities. This has enhanced the position and strengths of the school and enabled the school to confidently plan its future.

We have continued to embrace new challenges and opportunities for the school and there is a great deal to celebrate and reflect on when reviewing the past year.

Changes to the National Curriculum and assessment put extra pressures on staff but through patience and hard work the school has met and resolved many of these challenges. We continued to equip our pupils with the academic and social skills necessary in 2016.

Our results continue to be above National average at both KS1 and KS2. SAT's results for KS2 were as follows:

Reading	78% expected standard 33% achieved higher standard
Writing	90% expected standard 33% achieved higher standard
SPAG (Spelling, Punctuation and Grammar)	90% expected standard 38% achieved higher standard
Maths	84% expected standard 29% achieved higher standard

The school has responded to the current climate of moving into Multi Academy Trusts and it is felt this is the best step forward to secure the future of the school by working in a collaborative way with other schools to raise standards.

Some of the key review areas have been as follows:

A governance review was undertaken at the end of 2015 by an external advisor, Karen Powell, to ensure that the new OFSTED expectations are implemented. This resulted in a restructuring of the way governors operate, moving to a Board structure and away from the Committee structure. This means the governors are better placed to challenge the school and concentrate on the impact of school decisions. Governors are already becoming better informed by increasing their visits to the school and for those visits to have a more focussed impact.

The Board Structure came into operation mid-year and is still bedding in. It should ensure that all governors are involved in all decision making and regularly involved with strategic developments. As the school considered becoming a MAT there was a need to streamline the governing body ensuring significant emphasis was placed on the skill set of governors.

The school continues to be oversubscribed with waiting lists in most year groups.

The school was unsuccessful again in gaining capital funding to address some of our issues regarding lack of space and inadequate nature of some classrooms, which limits some of the activities the school would like to provide, i.e. DT area, intervention groups, more specialist teaching. Also the external condition of the temporary classrooms remains a major concern.

The year must go down as one of the most successful ever in the school's history in sport and below are some of the achievements gained by our representatives. The school has been using differing coaches and Plymouth Sports Partnership to extend opportunities for all children.

- Brickfields – 2015 School Champions and 3 other trophies for individual events – 2016 Year 5/6 Boys

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

- Relay Champions and Field Champions
- Bettison/Danone – Plymouth and Devon Football Champions – competed in regional finals
- Girls' Football – 2nd in Plymouth
- Indoor Athletics – 2nd in Plymouth and in Devon
- Tag Rugby – 2nd in Plymouth and Devon finals
- Table Tennis – 2nd in Devon
- Running – lots of individual winners and first three places in Cross Country and large participation in Plymouth Half Marathon
- Hockey – Plymouth Runners Up
- Cricket – 4th in Plymouth
- Swimming – representative team 5th in competition organised by Plymouth Leander Swimming Club

The school has also taken part in competitions in other areas of school life with notable successes in:

- Maths and IT representative groups performed well in competitions and group activities
- The school won the Plymouth Krypton Factor for more able pupils
- Children's University continues to grow in popularity
- One child won a gold certificate in a Global maths challenge
- Contributions have been made to a Plymouth anthology of written work
- One child won the annual Rotary Young Artists Competition judged by travellers on Brittany Ferries
- The choir continues to be popular and active in the local community
- The PTA continue to support the school through various events during the year, raising £12,229 for the school.

The school has been actively involved in other networks and used these to raise standards at the school. The following are some examples:

- OFSTED – Mr Epps, Deputy Headteacher, has trained as an Inspector
- NLE/NSS – Mr Bradford, Headteacher, became a NLE (National Leader in Education) and the school is a National Support School
- DPSCITT (Devon Primary School Centred Teacher Training) – the school took a leading role in hosting 2 trainees each term. DPSCITT received its 4th Outstanding judgement last year
- We hosted NQT's
- Connecting Classrooms – the school led this British Council initiative enabling us to exchange staff with schools in Cape Town.

Key Performance Indicators

The key performance indicator for the Academy Trust is the adherence to the financial budget set at the beginning of the year. Excluding any generated funds, all income for the Academy is Government or Local Authority funded and therefore the income of the Academy is largely a given.

An expenditure budget is set at the beginning of the year, taking into consideration the level of Government funding. The Trustees have reviewed detailed capital and expenditure reports compared to expenditure budgets, which confirms that the processes and procedures in place for controlling expenditure are acceptable. The carry forward General Annual Grant is within acceptable parameters.

Going Concern

After making appropriate enquiries, the governing body has a reasonable expectation that the academy trust has adequate resources to continue in operational existence for the foreseeable future. For this reason it continues to adopt the going concern basis in preparing the financial statements.

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

FINANCIAL REVIEW

Financial Review

In this financial year the Academy has received the majority of its income from the EFA in the form of recurrent grants. The grants received from the EFA during the period 1 September 2015 to 31 August 2016 and the associated expenditure are shown in the statement of financial activities.

Key financial policies adopted or reviewed during the year include the Finance Policy which lays out the framework for financial management, including financial responsibilities of the Board, Headteacher, Managers, Budget holders and other staff, as well as delegated authority for spending. Other policies reviewed and updated included Charges and Lettings, Treasury Management and Insurance.

During the period 1 September 2015 to 31 August 2016 the total expenditure of £1,794,852 and capital expenditure of £86,132 was more than covered by funding from the EFA together with other incoming resources and the carry forward from the previous year. The excess of income over expenditure (excluding FRS 1102 pension and depreciation expenses) for the financial year 1 September 2015 to 31 August 2016 was £45,495.

Reserves Policy

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

The Trustees aim is to keep up to 2-3 months' worth of revenue expenditure in free reserves (GAG plus Unrestricted Revenue funds). The reason for this is to provide sufficient working capital to cover delays between spending and receipt of grants, and to provide a cushion to deal with unexpected emergencies such as urgent maintenance. At present this balance stands at £276,959, which is approximately 2-3 months' worth of expenditure.

Investment Policy

Investments must be made only when approved by the governing body. A Treasury Management Policy is in place, which defines:

- The management of the Academy's cash flows, banking and investment transactions
- The management of the risks associated with these activities
- The pursuit of optimal returns consistent with those risks.

The objectives of the policy are to ensure that the Academy:

- Maintains sufficient cash balances in its current account to meet its day to day commitments
- Invests surplus cash to earn an acceptable rate of return without undue risk
- Consider spreading risk between differing types of investment and institutions to reduce credit risk

The Academy's current position is to only invest funds in risk free and easily accessible deposit account as outlined in the agreed Treasury Management Policy.

The Business Manager will maintain a register of all deposits/investments held which will record the Institution with which the deposit is placed, date deposit placed, amount deposited, date of maturity, amount returned, interest earned and rate of interest.

The Business Manager will present the Register of Deposits to the Governors on an annual basis. Periodically (at least annually) the Business Manager will review interest rates and compare with other investment opportunities. A working balance of £90,000 should be maintained in the main Academy's current account.

Principal Risks And Uncertainties

The Board of Trustees has reviewed the major risks to which the Academy Trust is exposed together with the

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

operating, financial and compliance controls that have been implemented to mitigate those risks.

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

Financial – The Academy has considerable reliance on continued Government funding through the EFA. Whilst the level of funding 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.

Failures in Governance – The risk in this area arises from potential failure to effectively manage the Academy'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.

Reputational – The continuing success of the Academy is dependent on continuing to attract applicants in sufficient numbers by maintaining the highest educational standards. To mitigate this risk the Trustees ensure that student success and achievement is closely monitored and reviewed.

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 and safety and discipline.

Staffing – The success of the Academy is reliant upon 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 Academy has appointed a Responsible Officer/internal auditor to carry out 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.

The Academy has agreed a Risk Management Strategy, a Risk Register and a Risk Management Plan. These have been discussed by Trustees and include the financial risks of the Academy. The register and plan are regularly reviewed in light of any new information and formally reviewed annually.

The Trustees examine the financial health formally every term. They review performance against budgets and overall expenditure by means of regular update reports at all Board and Finance Committee meetings. The Trustees also regularly review cash flow forecasts and ensure sufficient funds are held to cover all known and anticipated commitments.

At the year end the Academy had no significant liabilities arising from trade creditors or debtors that would have a significant effect on liquidity.

The Board of Trustees recognises that the defined benefit pension scheme deficit (Local Government Pension Scheme), which is set out in Note 22 to the financial statements, represents a significant potential liability. However as the Trustees consider that the Academy is able to meet its known annual contribution commitments for the foreseeable future, the risk from this liability is minimized.

PLANS FOR FUTURE PERIODS

The new School Improvement Plan sets out the schools specific Action Plans for the years 2015-2018. The plan is developed through discussion and consultation with staff and governors.

Key activities and targets were influenced by the significant challenges and opportunities arising from national changes in education policy and funding. The activities include the following:

- further improve standards, aspiring to be significantly above national averages,
- ensure that the school matches all outstanding statements in the Ofsted Inspection Framework and responds to all changes in inspection requirements promptly,
- reflect on the strengths and challenges of the school through robust self-evaluation,

**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

- long term effective financial planning monitored closely to ensure that the school in medium term is able to sustain itself financially any reduction in funding is appropriately planned for,
- resolve whether the school becomes a Multi Academy Trust and actively seeks opportunities to combine with other schools whether by mutual agreement or through becoming a sponsoring Academy,
- continue to press for upgrading of the school ensuring that facilities offered to pupils are modern, well-maintained, and fit for purpose in the 21st century,
- to aspire for pupils to achieve at least two levels of progress (or equivalent) between the end of Key Stage 1 and Key Stage 2
- ensure rigorous evaluation of underachievement and closing the gaps in all groups

Specific Curricular Overarching Aims

- **Literacy**
Ensure that standards in writing and reading remain consistently above national averages
Embed teaching of phonics fully throughout the school
Develop teaching and assessment of SPAG (spelling, punctuation and grammar) at each year group
Ensure attainment linked to early learning goals at the end of Early Years is above national averages
Further improve reading standards by fostering love of reading and developing comprehension skills
- **Maths**
Ensure standards measured by end of key stage assessment remain consistently above national averages
Embed use of Numicon throughout the school with all ages and ability groups to encourage deeper thinking and understanding of mathematical concepts
Ensure attainment linked to early learning goals at the end of Early Years is above national averages
Ensure rigorous monitoring of progress and attainment and any gaps in learning for individuals or groups are addressed through the schools staged intervention programme.
- **Computer Sciences**
Embed and further develop staff and pupils skills in computer sciences initially using software package "Scratch"
Purchase portable hardware to enhance use of IT throughout the school and across the curriculum
Resolve assessment issues with AREs so that there are high expectations for the teaching and learning of IT.
- **Tackling Underachievement**
Continue to develop pupil progress process to ensure any underachievement is identified and appropriate intervention identified
Monitor the impact of any intervention
Implement and train staff for more specialist intervention
Review use and impact of TAs in supporting intervention at all levels
Ensure appropriate measures are deployed and closely monitored to reduce any gaps in attainment.

**HORIZON MULTI ACADEMY TRUST
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**TRUSTEES' REPORT (continued)
FOR THE YEAR ENDED 31 AUGUST 2016**

FUNDS HELD AS CUSTODIAN TRUSTEE ON BEHALF OF OTHERS

The Academy does not hold such funds.

AUDITORS

In so far as the Trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

The auditors, Bishop Fleming LLP, are willing to continue in office and a resolution to appoint them will be proposed at the annual general meeting.

Trustees' Report, incorporating a strategic report, approved by order of the Board of Trustees, as company directors, on 6.12.16 and signed on the board's behalf by:

F. Court

**Mrs F Court
Chair of Trustees**

GOVERNANCE STATEMENT

SCOPE OF RESPONSIBILITY

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

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

GOVERNANCE

The information on governance included here supplements that described in the Trustees' report and in the Statement of Trustees' responsibilities. The Board of Trustees has formally met 8 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
Dr C Adams, Vice Chair	8	8
Mr D Bradford, Headteacher	7	8
Mrs F Court, Chair of Trustees	8	8
Mr J Dobson	8	8
Mr S Drake	6	8
Mr D Green	5	8
Mrs V Gregory	7	8
Mjr C Hall	2	8
Mrs C Haynes	8	8
Mrs S Lovejoy	1	3
Miss E Marriott	4	8
Cllr V Pengelly	3	7
Mr K Pullan	3	3
Mrs J Rickard	7	8
Mr J Senior	6	8
Mr K Smithers	0	0
Mr D Farmer	0	0
E Roberts	0	0
Mr P Gale	0	0
Mr S Jones	0	0
S Shelley	0	0
Mr A J Evans	0	0
C Redding	0	0

Mrs Stacey Lovejoy, parent governor, resigned due to work and family commitments on 10 December 2015.

Mr Keith Pullan, parent governor, term of office ended 1 March 2016.

Cllr V Pengelly resigned due to work commitments on 9 June 2016.

One of the main challenges this year was the consideration of becoming a Multi Academy Trust; the benefits this would bring to Elburton Primary School and the effect this would have on the structure and responsibilities of governance within the school.

A Governance review was carried out at the end of 2015. An independent expert was employed to carry out the review. All governors were consulted and either attended a governance review day or completed a review questionnaire.

Following this review it was decided to change the format of governor meetings. The committees of Finance, Standards and Premises were discontinued and those elements would be included as specific agenda items at monthly Full Governing Body meetings.

GOVERNANCE STATEMENT (continued)

It is proposed that there will be a further internal review of governance at the end of 2016.

The Finance and Personnel Committee is a sub-committee of the main Board of Trustees. Its purpose is to assist in the decision making of the governing body in relation to ensuring sound financial management of the academy's finances and resources including proper planning and probity. The committee also made appropriate comments and recommendations on such matters to the governing body, for approval and adoption. This included the audit committee function. This committee was collapsed in line with recommendations in the governance review therefore only two meetings were held during 1 September 2015 and August 2016.

Attendance at meetings in the year was as follows:

Trustee	Meetings attended	Out of a possible
Mrs C Haynes	2	2
Mrs F Court	2	2
Dr C Adams	1	2
Mr D Bradford	2	2
Mrs J Rickard	2	2
Mrs V Gregory	2	2
Mr J Dobson	2	2
Mr S Drake	2	2
Mr K Pullan	1	2
Mrs S Lovejoy	0	2

REVIEW OF VALUE FOR MONEY

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

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

- Establishing robust financial governance and budget management
- Trustees challenge decision makers on cost and effectiveness of spending proposals in order to achieve value for money
- A Risk Register is in place identifying areas of high, medium and low risks which is reviewed on a regular basis
- Termly internal audits carried out by Plymouth City Council and findings shape our action plans for future developments and improvements
- value for money purchasing
- staff deployed to provide best value in terms of quality of teaching, quality of learning; adult-pupil ratio and curriculum management.
- Academy staffing structure reviewed annually to ensure most appropriate provision for pupils
- Trustees have identified projects within the School Improvement Plan and Strategic Plan on which to focus Capital funding
- Equipment deployed to provide pupils and staff with resources which promote quality teaching and learning
- Trustees and school leaders review the quality of children's learning to provide the best learning environment
- Pupil Premium funding has been targeted so that pupils have the opportunity to raise their individual levels of attainment resulting in improved educational outcomes. A full report is presented to Trustees outlining how Pupil Premium has been used.
- Procedures are in place for assessing need, and obtaining goods and services that provide "best value" in terms of suitability, efficiency, time and cost. Measures already in place include competitive tendering procedures, procedures for accepting "best value" quotes which are not necessarily the cheapest (e.g. suitability for purpose and quality of workmanship), procedures which minimise administration time by the purchase of

GOVERNANCE STATEMENT (continued)

goods or services under £1,000 direct from known, reliable suppliers (e.g. stationery, small equipment) and current EU procurement legislation.

The following areas were monitored for “best value” by:

1. In-house monitoring by the SLT and subject leaders, e.g. classroom practice, work sampling
2. Termly target setting meetings between SLT and POD leaders
3. Staff appraisals
4. Annual Budget planning
5. Headteacher's monthly financial review with Business Manager
6. Analysis of school pupil performance data, e.g. SAT's results, standardised test results, LA schools, similar schools
7. Analysis of DfE financial data, FMS6 reports, against benchmark data for other schools
8. Analysis of DfE/Ofsted pupil performance data, e.g. RAISEonline
9. Ofsted Inspection Reports
10. Trustees observations
11. Trustees termly meetings
12. Trustees Annual Finance Review
13. Trustees Annual Target Setting Meeting

The Trustees discussed and reviewed 'Best Value' in the Spring term when considering Service Contracts, obtaining tenders for any large scale refurbishment projects and large scale resources purchases.

Service Contracts are under annual review and Trustees are discussing future contracts which will offer best value and fitness for purpose.

THE PURPOSE OF THE SYSTEM OF INTERNAL CONTROL

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of Academy Trust policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in Horizon Multi Academy Trust for the year 1 September 2015 to 31 August 2016 and up to the date of approval of the annual report and financial statements.

CAPACITY TO HANDLE RISK

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

THE RISK AND CONTROL FRAMEWORK

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

- comprehensive budgeting and monitoring systems with an annual budget and periodic financial reports which are reviewed and agreed by the Board of Trustees;
- regular reviews by the Finance and Personnel 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.

GOVERNANCE STATEMENT (continued)

The Board of Trustees has considered the need for a specific internal audit function and has decided to appoint Plymouth Learning Partnership as internal auditor.

The internal auditor's role includes giving advice on financial matters and performing a range of checks on the Academy Trust's financial systems. On a semi-annual basis, the internal auditor reports to the Board of Trustees on the operation of the systems of control and on the discharge of the Board of Trustees' financial responsibilities.

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

Payroll – areas reviewed included testing that actual salary payments for all staff were reconciled against commitments generated on the schools FMS system; necessary amendments to contracts were appropriately authorised in a timely manner; monthly payroll reconciliation undertaken and appropriately authorised; prior period salary commitments are cleared promptly.

Review of a number of receipts from EFA or LA to check that amounts received agree to source documentation and FMS.

Check that miscellaneous income due reconciles to that collected, is banked promptly and recorded accurately on FMS.

The internal auditor has delivered their schedule of work as planned through written reports. There were no material control issues raised as a result of the internal auditor's work.

REVIEW OF EFFECTIVENESS

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

- the work of the internal auditor;
- the work of the external auditors;
- the financial management and governance self-assessment process;
- the work of the executive managers within the Academy Trust who have responsibility for the development and maintenance of the internal control framework.

The Accounting Officer has been advised of the implications of the result of their review of the system of internal control by the Finance and Personnel 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 6.12.16 and signed on their behalf, by:



**Mrs F Court
Chair of Trustees**


**Mr D Bradford
Accounting Officer**

STATEMENT ON REGULARITY, PROPRIETY AND COMPLIANCE

As Accounting Officer of Horizon Multi Academy Trust I have considered my responsibility to notify the academy trust board of trustees and the Education Funding Agency of material irregularity, impropriety and non-compliance with EFA terms and conditions of funding, under the funding agreement in place between the academy trust and the Secretary of State for Education. As part of my consideration I have had due regard to the requirements of the Academies Financial Handbook.

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.

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



**Mr D Bradford
Accounting Officer**

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**STATEMENT OF TRUSTEES' RESPONSIBILITIES
FOR THE YEAR ENDED 31 AUGUST 2016**

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

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

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

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

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

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

Approved by order of the members of the Board of Trustees and signed on its behalf by:



**Mrs F Court
Chair of Trustees**

Date: 6.12.16

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HORIZON MULTI ACADEMY TRUST**

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

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

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As explained more fully in the Statement of Trustees' responsibilities, the Trustees (who are also the directors of the Academy 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.

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

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the Academy Trust's affairs as at 31 August 2016 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 2015 to 2016 issued by the Education Funding Agency.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

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

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS TO THE MEMBERS OF
HORIZON MULTI ACADEMY TRUST**

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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



Pamela Tuckett FCA DChA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

Salt Quay House

4 North East Quay

Sutton Harbour

Plymouth

PL4 0BN

Date: 7/12/16

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO HORIZON
MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY**

In accordance with the terms of our engagement letter dated 14 June 2016 and further to the requirements of the Education Funding Agency (EFA) as included in the Academies Accounts Direction 2015 to 2016, we have carried out an engagement to obtain limited assurance about whether the expenditure disbursed and income received by Horizon Multi Academy Trust during the year 1 September 2015 to 31 August 2016 have been applied to the purposes identified by Parliament and the financial transactions conform to the authorities which govern them.

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

**RESPECTIVE RESPONSIBILITIES OF HORIZON MULTI ACADEMY TRUST'S ACCOUNTING OFFICER AND
THE REPORTING ACCOUNTANT**

The accounting officer is responsible, under the requirements of Horizon Multi Academy Trust's funding agreement with the Secretary of State for Education dated 1 July 2012, and the Academies Financial Handbook extant from 1 September 2015, for ensuring that expenditure disbursed and income received is applied for the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to obtain limited assurance and report in accordance with our engagement letter and the requirements of the Academies Accounts Direction 2015 to 2016. We report to you whether anything has come to our attention in carrying out our work which suggests that in all material respects, expenditure disbursed and income received during the year 1 September 2015 to 31 August 2016 have not been applied to purposes intended by Parliament or that the financial transactions do not conform to the authorities which govern them.

APPROACH

We conducted our engagement in accordance with the Academies Accounts Direction 2015 to 2016 issued by EFA. We performed a limited assurance engagement as defined in our engagement letter.

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

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

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

Our work on regularity included a review of the internal controls policies and procedures that have been implemented and an assessment of their design and effectiveness to understand how the academy complied with the framework of authorities. We also reviewed the reports commissioned by the trustees to assess the internal controls throughout the year.

We performed detailed testing based on our assessment of the risk of material irregularity, impropriety and non-compliance. This work was integrated with our audit on the financial statements where appropriate and included analytical review and detailed substantive testing of transactions.

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON REGULARITY TO HORIZON
MULTI ACADEMY TRUST AND THE EDUCATION FUNDING AGENCY (continued)**

CONCLUSION

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



Pamela Tuckett FCA DChA (Reporting Accountant)

Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
Salt Quay House
4 North East Quay
Sutton Harbour
Plymouth
PL4 0BN

Date: 7/12/16

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF FINANCIAL ACTIVITIES INCORPORATING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
INCOME FROM:						
Donations and capital grants	2	1,979	11,213	38,450	51,642	18,949
Charitable activities	3	57,444	1,577,606	-	1,635,050	1,649,122
Other trading activities	4	92,348	-	-	92,348	94,015
Investments	5	229	-	-	229	3,167
TOTAL INCOME		152,000	1,588,819	38,450	1,779,269	1,765,253
EXPENDITURE ON:						
Raising funds		889	-	-	889	7,373
Charitable activities		108,245	1,674,640	61,078	1,843,963	1,752,252
TOTAL EXPENDITURE	6	109,134	1,674,640	61,078	1,844,852	1,759,625
NET INCOME / (EXPENDITURE) BEFORE TRANSFERS						
Transfers between Funds	18	42,866 (12,808)	(85,821) 3,576	(22,628) 9,232	(65,583) -	5,628 -
NET INCOME / (EXPENDITURE) BEFORE OTHER GAINS AND LOSSES						
		30,058	(82,245)	(13,396)	(65,583)	5,628
Actuarial losses on defined benefit pension schemes	22	-	(336,000)	-	(336,000)	(19,000)
NET MOVEMENT IN FUNDS		30,058	(418,245)	(13,396)	(401,583)	(13,372)
RECONCILIATION OF FUNDS:						
Total funds brought forward		246,901	(463,755)	2,672,882	2,456,028	2,469,400
TOTAL FUNDS CARRIED FORWARD		276,959	(882,000)	2,659,486	2,054,445	2,456,028

The notes on pages 26 to 46 form part of these financial statements.

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER: 08084557

BALANCE SHEET
AS AT 31 AUGUST 2016

	Note	£	2016 £	£	2015 £
FIXED ASSETS					
Tangible assets	14		2,659,486		2,672,882
CURRENT ASSETS					
Stocks	15	1,711		1,819	
Debtors	16	49,772		55,513	
Cash at bank and in hand		337,157		334,671	
		388,640		392,003	
CREDITORS: amounts falling due within one year	17	(111,681)		(112,857)	
NET CURRENT ASSETS			276,959		279,146
TOTAL ASSETS LESS CURRENT LIABILITIES			2,936,445		2,952,028
Defined benefit pension scheme liability	22		(882,000)		(496,000)
NET ASSETS INCLUDING PENSION SCHEME LIABILITIES			2,054,445		2,456,028
FUNDS OF THE ACADEMY TRUST					
Restricted funds:					
General funds	18	-		32,245	
Fixed asset funds	18	2,659,486		2,672,882	
Restricted funds excluding pension liability		2,659,486		2,705,127	
Pension reserve		(882,000)		(496,000)	
Total restricted funds			1,777,486		2,209,127
Unrestricted funds	18		276,959		246,901
TOTAL FUNDS			2,054,445		2,456,028

The financial statements were approved by the Trustees, and authorised for issue, on 6.12.16 and are signed on their behalf, by:

F. Court

Mrs F Court
Chair of Trustees

The notes on pages 26 to 46 form part of these financial statements.

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 AUGUST 2016

	Note	2016 £	2015 £
Cash flows from operating activities			
Net cash provided by operating activities	28	32,489	114,573
Cash flows from investing activities:			
Interest received		229	3,167
Purchase of tangible fixed assets		(47,682)	(22,057)
Capital grants from DfE/EFA		17,450	8,736
Net cash used in investing activities		(30,003)	(10,154)
Change in cash and cash equivalents in the year		2,486	104,419
Cash and cash equivalents brought forward		334,671	230,252
Cash and cash equivalents carried forward	29	337,157	334,671

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES

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

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

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

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

In accordance with the Academies Accounts Direction 2015 to 2016 capital grants are now recognised in Income from Donations and Capital Grants instead of Charitable Activities. Capital grants recognised in 2015 have been reclassified.

First time adoption of FRS 102

These financial statements are the first financial statements of Horizon Multi Academy Trust prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the Charities SORP 2015 (SORP 2015). The financial statements of Horizon Multi Academy Trust for the year ended 31 August 2015 were prepared in accordance with previous Generally Accepted Accounting Practice ('UK GAAP') and SORP 2005.

Some of the FRS 102 recognition, measurement, presentation and disclosure requirements and accounting policy choices differ from previous UK GAAP. Consequently, the Trustees have amended certain accounting policies to comply with FRS 102 and SORP 2015.

Reconciliations to previous UK GAAP for the comparative figures are included in note 25.

1.2 GOING CONCERN

The Trustees assess whether the use of going concern is appropriate, i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the Academy 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 academy trust has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the academy trust's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements..

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.3 FUND ACCOUNTING

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

Restricted fixed asset funds are resources which are to be applied to specific capital purposes imposed by 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 and include grants from the Department for Education.

Transfers are made between restricted funds and restricted fixed asset funds where restricted funds are used to purchase fixed assets.

1.4 INCOME

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

General Annual Grant is recognised in full in the Statement of financial activities in the year for which it is receivable and any abatement in respect of the period is deducted from income and recognised as a liability. Capital grants are recognised 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.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.5 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. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

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

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

All resources expended are inclusive of irrecoverable VAT.

1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

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

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

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% straight line
Fixtures and fittings	-	20% 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.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.7 LIABILITIES AND PROVISIONS

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

1.8 TAXATION

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

1.9 PENSIONS

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

The TPS is an unfunded scheme and contributions are calculated so as to spread the cost of pensions over employees' working lives with the Academy Trust in such a way that the pension cost is a substantially level percentage of current and future pensionable payroll. The contributions are determined by the Government Actuary on the basis of quadrennial valuations using a prospective unit credit method. As stated in note 22, the TPS is a multi-employer scheme and there is insufficient information available to use defined benefit accounting. The TPS is therefore treated as a defined contribution scheme for accounting purposes and the contributions recognised in the period to which they relate.

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

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.10 CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

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

Critical accounting estimates and assumptions:

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

The present value of the Local Government Pension Scheme defined benefit liability depends on a number of factors that are determined on an actuarial basis using a variety of assumptions. The assumptions used in determining the net cost (income) for pensions include the discount rate. Any changes in these assumptions, which are disclosed in note 22, will impact the carrying amount of the pension liability. Furthermore a roll forward approach which projects results from the latest full actuarial valuation performed at 31 March 2013 has been used by the actuary in valuing the pensions liability at 31 August 2016. Any differences between the figures derived from the roll forward approach and a full actuarial valuation would impact on the carrying amount of the pension liability.

Critical areas of judgement:

The Academy obtains use of fixed assets as a lessee. The classification of such leases as operating or finance lease requires the Academy to determine, based on an evaluation of the 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.

1.11 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.

1.12 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost is based on the cost of purchases on a first in first out basis

1.13 DEBTORS

Trade and other debtors with no stated interest rate and due within one year are recorded at the amount of the cash or other consideration expected to be received. Prepayments are valued at the amount paid.

1.14 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 and cash on deposit that has a notice period of less than 30 days.

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

1. ACCOUNTING POLICIES (continued)

1.15 FINANCIAL INSTRUMENTS

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Financial instruments includes cash at bank, trade debtors, accrued income from financial instruments (comprising dividends and interest due from investments), trade creditors and accrued expenditure.

2. INCOME FROM DONATIONS AND CAPITAL GRANTS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Donations	1,979	11,213	21,000	34,192	10,213
Capital Grants	-	-	17,450	17,450	8,736
Total donations and capital grants	1,979	11,213	38,450	51,642	18,949

In 2015, of the total income from donations and capital grants, £748 was to unrestricted funds and £9,465 was to restricted funds.

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

3. FUNDING FOR ACADEMY'S EDUCATIONAL OPERATIONS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
DfE/EFA grants				
General Annual Grant	-	1,379,842	1,379,842	1,387,817
Other DfE/EFA grants	-	168,569	168,569	173,390
	-	1,548,411	1,548,411	1,561,207
Other government grants				
High Needs	-	13,205	13,205	15,721
Other government grants non capital	-	6,990	6,990	-
	-	20,195	20,195	15,721
Other funding				
Internal catering income	25,415	-	25,415	32,292
Sales to students	7,646	-	7,646	-
Other	19,593	9,000	28,593	39,902
Income for hosting trainee teachers	4,790	-	4,790	-
	57,444	9,000	66,444	72,194
	57,444	1,577,606	1,635,050	1,649,122

In 2015, of the total income from charitable activities, £32,894 was to unrestricted funds, £1,616,228 was to restricted funds and £8,736 was to restricted fixed asset funds.

4. OTHER TRADING ACTIVITIES

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Lettings	10,829	-	10,829	7,710
Consultancy	7,036	-	7,036	-
Fees received	74,483	-	74,483	86,305
	92,348	-	92,348	94,015

In 2015, of the total income from other trading activities, £82,745 was to unrestricted funds and £11,270 was to restricted funds.

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

5. INVESTMENT INCOME

	Unrestricted funds 2016 £	Restricted funds 2016 £	Total funds 2016 £	Total funds 2015 £
Bank interest	229	-	229	3,167

In 2015 the total investment income of £3,167 was unrestricted.

6. EXPENDITURE

	Staff costs 2016 £	Premises 2016 £	Other costs 2016 £	Total 2016 £	Total 2015 £
Expenditure on fundraising trading	-	-	889	889	7,373
Education:					
Direct costs	1,183,776	-	129,372	1,313,148	1,280,780
Support costs	223,534	46,267	261,014	530,815	462,472
	<u>1,407,310</u>	<u>46,267</u>	<u>391,275</u>	<u>1,844,852</u>	<u>1,750,625</u>

In 2016, of the total expenditure, £109,133 was from unrestricted funds, £1,624,641 was from restricted funds and £61,078 was from restricted fixed asset funds.

7. DIRECT COSTS

	Total 2016 £	Total 2015 £
Pension finance costs	8,000	9,000
Educational supplies	30,431	12,416
Examination fees	1,836	-
Staff development	5,316	11,043
Other costs	12,699	85,966
Supply teachers	19,760	-
Educational Consultancy	6,856	-
Wages and salaries	949,332	1,107,214
National insurance	64,229	-
Pension cost	163,455	-
Depreciation	51,234	75,141
	<u>1,313,148</u>	<u>1,300,780</u>

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

8. SUPPORT COSTS

	Total 2016 £	Total 2015 £
Pension finance costs	10,000	9,000
Recruitment and support	2,373	-
Maintenance of premises and equipment	24,562	50,988
Cleaning	7,356	5,662
Rent and rates	9,748	11,482
Energy costs	20,516	9,673
Insurance	23,984	29,441
Security and transport	18,827	8,891
Catering	79,047	65,730
Technology costs	20,081	-
Office overheads	24,162	17,292
Legal and professional	29,374	-
Bank interest and charges	208	478
Governance	9,199	12,493
Wages and salaries	182,769	200,342
National insurance	6,507	-
Pension cost	52,258	30,000
Depreciation	9,844	-
	<u>530,815</u>	<u>451,472</u>

9. NET INCOME/ (EXPENDITURE) FOR THE PERIOD

This is stated after charging:

	2016 £	2015 £
Depreciation of tangible fixed assets:		
- owned by the charity	61,078	75,141
Operating lease rentals	<u>1,191</u>	<u>397</u>

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

10. AUDITORS' REMUNERATION

	2016	2015
	£	£
Fees payable to the Academy Trust's auditor and its associates for the audit of the Academy Trust's annual accounts	5,000	-
Fees payable to the Academy Trust's auditor and its associates in respect of:		
Other non-audit services	450	-
	2016	2015
	£	£
Fees payable to the Academy Trust's outgoing auditor and its associates in respect of:		
The audit of the Academy Trust's annual accounts	-	4,613
Other non-audit services	600	-

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

11. STAFF COSTS

Staff costs were as follows:

	2016	2015
	£	£
Wages and salaries	1,132,101	1,088,310
Social security costs	70,736	57,917
Operating costs of defined benefit pension schemes	215,713	186,581
	1,418,550	1,332,808
Supply teacher costs	20,760	4,850
	1,439,310	1,337,658

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

	2016	2015
	No.	No.
Teachers	19	17
Administration and Support	69	53
Management	3	3
	91	73

Average headcount expressed as a full time equivalent:

	2016	2015
	No.	No.
Teachers	17	14
Administration and Support	25	24
Management	3	3
	45	41

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

	2016	2015
	No.	No.
In the band £70,001 - £80,000	1	1

The key management personnel of the Academy comprise the Trustees (who do not receive remuneration for their role as Trustees) and the Senior Leadership Team as listed on page 1. The total amount of employee benefits (including employer pension contributions) received by key management personnel for their services to the Academy was £203,750 (2015: £192,252).

As staff trustees are not remunerated in respect of their role as a trustee, where staff trustees do not form part of the key management personnel other than in their role as trustee, their remuneration as set out in note 12 has not been included in the total benefits received by key management personnel above.

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

12. TRUSTEES' REMUNERATION AND EXPENSES

The Headteacher and other staff Trustees only receive remuneration in respect of services they provide undertaking the roles of Headteacher and staff under their contracts of employment, and not in respect of their services as Trustees. Other Trustees did not receive any payments, other than expenses, from the Academy Trust in respect of their role as Trustees. The value of Trustees' remuneration and other benefits was as follows: Mr D Bradford: remuneration £70,000 - £75,000 (2015: £70,000 - £75,000), employer's pension contributions: £10,000 - £15,000 (2015: £5,000 - £10,000), Mr K Smithers: remuneration £40,000 - £45,000 (2015: £40,000 - £45,000), employer's pension contributions £5,000 - £10,000 (2015: £5,000 - £10,000), Miss E Marriot: remuneration £40,000 - £45,000 (2015: £40,000 - £45,000), employer's pension contributions £5,000 - £10,000 (2015: £5,000 - £10,000), Mrs J Rickard: remuneration £10,000 - £15,000 (2015: £5,000 - £10,000), employer's pension contributions £0 - £5,000 (2015: £0 - £5,000).

Other related party transactions involving the Trustees are set out in note 24.

During the year ended 31 August 2016, expenses totalling £1,233 (2015: £1,490) were reimbursed to 3 Trustees (2015: 3).

13. TRUSTEES' AND OFFICERS' INSURANCE

In accordance with normal commercial practice the academy 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 2016 was £1,500 (2015: £1,405).

14. TANGIBLE FIXED ASSETS

	Freehold property £	Fixtures and fittings £	Computer equipment £	Total £
COST				
At 1 September 2015	2,743,889	30,627	116,387	2,890,903
Additions	6,478	1,183	40,021	47,682
At 31 August 2016	2,750,367	31,810	156,408	2,938,585
DEPRECIATION				
At 1 September 2015	104,028	16,611	97,382	218,021
Charge for the year	31,817	5,088	24,173	61,078
At 31 August 2016	135,845	21,699	121,555	279,099
NET BOOK VALUE				
At 31 August 2016	2,614,522	10,111	34,853	2,659,486
At 31 August 2015	2,639,861	14,016	19,005	2,672,882

Included in land and buildings is freehold land at valuation of £1,050,000 which is not depreciated.

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

15. STOCKS

	2016 £	2015 £
Finished goods and goods for resale	<u>1,711</u>	<u>1,819</u>

16. DEBTORS

	2016 £	2015 £
Trade debtors	1,004	422
VAT recoverable	13,992	16,046
Prepayments and accrued income	34,776	39,045
	<u>49,772</u>	<u>55,513</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	As restated 2015 £
Trade creditors	6,311	-
Other taxation and social security	21,278	18,655
Other creditors	27,382	19,061
Accruals and deferred income	56,710	75,141
	<u>111,681</u>	<u>112,857</u>
	2016 £	2015 £
DEFERRED INCOME		
Deferred income at 1 September 2015	63,457	50,729
Resources deferred during the year	39,767	63,457
Amounts released from previous years	(63,547)	(50,729)
Deferred income at 31 August 2016	<u>39,677</u>	<u>63,457</u>

At the balance sheet date £39,767 of UIFSM received in respect of the year ended 31 August 2017 was included in deferred income.

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

18. STATEMENT OF FUNDS

	Brought Forward £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Carried Forward £
UNRESTRICTED FUNDS						
General funds	246,901	152,000	(109,134)	(12,808)	-	276,959
RESTRICTED FUNDS						
General Annual Grant (GAG)	6,210	1,379,842	(1,391,128)	5,076	-	-
High Needs	-	13,205	(13,205)	-	-	-
Pupil premium	-	86,528	(86,528)	-	-	-
Start up grant	7,192	-	(7,192)	-	-	-
UIFSM	-	68,172	(68,172)	-	-	-
PTA donations	-	5,079	(5,079)	-	-	-
PE & Sports grant	-	9,820	(9,820)	-	-	-
British Council grant	-	9,000	(9,000)	-	-	-
Other restricted funds	18,843	17,173	(34,516)	(1,500)	-	-
Pension reserve	(496,000)	-	(50,000)	-	(336,000)	(882,000)
	(463,755)	1,588,819	(1,674,640)	3,576	(336,000)	(882,000)
RESTRICTED FIXED ASSET FUNDS						
Fixed assets transferred on conversion	2,520,294	-	(32,716)	-	-	2,487,578
DfE/EFA Capital grants and GAG	152,588	17,450	(25,224)	9,232	-	154,046
PTA funded assets	-	21,000	(3,138)	-	-	17,862
	2,672,882	38,450	(61,078)	9,232	-	2,659,486
Total restricted funds	2,209,127	1,627,269	(1,735,718)	12,808	(336,000)	1,777,486
Total of funds	2,456,028	1,779,269	(1,844,852)	-	(336,000)	2,054,445

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

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

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

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

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

18. STATEMENT OF FUNDS (continued)

High Needs - Funding received by the Local Authority to fund further support for students with additional needs.

PE Grant - This represents funding received from the EFA and must be used to fund improvements to the provision of PE and sport, for the benefit of primary-aged pupils, so that they develop healthy lifestyles.

Pension reserve - This represents the Academy's share of the assets and liabilities in the Local Government Pension Scheme. As with most pension schemes this is currently in deficit due to an excess of scheme liabilities over scheme assets which was inherited on conversion to an Academy. The Academy is following the recommendations of the actuary to reduce the deficit by making additional contributions over a number of years.

UIFSM - This represents funding received to provide free school meals.

British Council - The represents funds received for a specific project.

Capital Grants - These funds are received for direct expenditure on fixed asset projects. The fixed asset fund balance at the year end represents the NBV of assets and any unspent grant amounts.

Devolved Formula Capital - This represents funding from the EFA to cover the maintenance and purchase of the Academy's assets.

PTA funded assets - This represents amounts received from the PTA towards the costs of assets.

OTHER INFORMATION

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

19. ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted funds 2016 £	Restricted funds 2016 £	Restricted fixed asset funds 2016 £	Total funds 2016 £	Total funds 2015 £
Tangible fixed assets	-	-	2,659,486	2,659,486	2,672,882
Current assets	276,959	111,681	-	388,640	392,003
Creditors due within one year	-	(111,681)	-	(111,681)	(112,857)
Provisions for liabilities and charges	-	(882,000)	-	(882,000)	(496,000)
	276,959	(882,000)	2,659,486	2,054,445	2,456,028

20. MEMBERS' LIABILITY

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

**HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016**

21. GENERAL INFORMATION

Horizon Multi Academy Trust is a company limited by guarantee, incorporated in England and Wales. The registered office is Elburton Primary School, Haye Road South, Elburton, Plymouth, Devon, PL9 8HJ.

22. PENSION COMMITMENTS

The 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 Devon County Council. Both are Multi-employer defined benefit pension schemes.

The latest actuarial valuation of the TPS related to the period ended 31 March 2012 and of the LGPS 31 March 2013.

Contributions amounting to £21,707 were payable to the schemes at 31 August 2016 (2015: nil) and are included within creditors.

Teachers' Pension Scheme

Introduction

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

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

Valuation of the Teachers' Pension Scheme

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

- employer contribution rates set at 16.48% of pensionable pay, including a 0.08% employer administration charge (currently 14.1%)
- total scheme liabilities (pensions currently in payment and the estimated cost of future benefits) for service to the effective date of £191,500 million, and notional assets (estimated future contributions together with the notional investments held at the valuation date) of £176,600 million giving a notional past service deficit of £14,900 million
- an employer cost cap of 10.9% of pensionable pay will be applied to future valuations
- the assumed real rate of return is 3.0% in excess of prices and 2% in excess of earnings. The rate of real earnings growth is assumed to be 2.75%. The assumed nominal rate of return is 5.06%.

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

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

22. PENSION COMMITMENTS (continued)

The employer's pension costs paid to TPS in the period amounted to £117,317 (2015:£98,450).

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 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 2016 was £81,000 (2015:£81,000), of which employer's contributions totalled £62,000 (2015:£63,000) and employees' contributions totalled £19,000 (2015:18,000). The agreed contribution rates for future years are 18.5% for employers and 5.5-7.5% for employees.

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

Principal actuarial assumptions:

	2016	2015
Discount rate for scheme liabilities	2.20 %	4.00 %
Rate of increase in salaries	4.10 %	4.50 %
Rate of increase for pensions in payment / inflation	2.30 %	2.70 %

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

	2016	2015
Retiring today		
Males	22.9	22.8
Females	26.2	26.1
Retiring in 20 years		
Males	25.2	25.1
Females	28.6	28.4

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

22. PENSION COMMITMENTS (continued)

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

	Fair value at 31 August 2016 £	Fair value at 31 August 2015 £
Equities	356,000	288,000
Debt instruments	121,000	125,000
Property	60,000	54,000
Cash	10,000	12,000
Other	60,000	24,000
	<u>607,000</u>	<u>503,000</u>
Total market value of assets	<u>607,000</u>	<u>503,000</u>

The actual return on scheme assets was £71,000 (2015: £1,000).

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

	2016 £	2015 £
Current service cost (net of employee contributions)	(94,000)	(88,000)
Net interest cost	(18,000)	(18,000)
Past service cost	34,000	35,000
	<u>(78,000)</u>	<u>(71,000)</u>
Total	<u>(78,000)</u>	<u>(71,000)</u>

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

	2016 £	2015 £
Opening defined benefit obligation	999,000	850,000
Current service cost	94,000	88,000
Interest cost	39,000	36,000
Contributions by employees	19,000	18,000
Actuarial losses	386,000	-
Benefits paid	(48,000)	7,000
	<u>1,489,000</u>	<u>999,000</u>
Closing defined benefit obligation	<u>1,489,000</u>	<u>999,000</u>

HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

22. PENSION COMMITMENTS (continued)

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

	2016	2015
	£	£
Opening fair value of scheme assets	503,000	416,000
Interest income	21,000	18,000
Actuarial gains and (losses)	50,000	(19,000)
Contributions by employer	62,000	63,000
Contributions by employees	19,000	18,000
Benefits paid	(48,000)	7,000
Closing fair value of scheme assets	607,000	503,000

23. OPERATING LEASE COMMITMENTS

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

	2016	2015
	£	£
AMOUNTS PAYABLE:		
Within 1 year	-	1,192

24. RELATED PARTY TRANSACTIONS

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

No related party transactions took place in the period of account other than certain Trustees' remuneration and expenses already disclosed in note 12.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

25. FIRST TIME ADOPTION OF FRS 102

It is the first year that the Academy Trust has presented its financial statements under SORP 2015 and FRS 102. The following disclosures are required in the year of transition. The last financial statements prepared under previous UK GAAP were for the year ended 31 August 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 September 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

Reconciliations and descriptions of the effect of the transition to FRS 102 and SORP 2015 on total funds and net income/(expenditure) for the comparative period reported under previous UK GAAP and SORP 2005 are given below.

RECONCILIATION OF TOTAL FUNDS	Notes	1 September 2014	31 August 2015
		£	£
Total funds under previous UK GAAP		2,469,400	2,456,028
Total funds reported under FRS 102		<u>2,469,400</u>	<u>2,456,028</u>

Reconciliation of net income/ (expenditure)	Notes	31 August 2015
		£
Net income previously reported under UK GAAP		14,628
	A	(9,000)
Net movement in funds reported under FRS 102		<u>5,628</u>

Explanation of changes to previously reported funds and net income/expenditure:

A	Under previous UK GAAP the trust recognised an expected return on defined benefit plan assets in expense. Under FRS102 a net interest, based on the net defined benefit liability, is recognised in expense. There has been no change to the defined benefit liability at either 1 September 2014 or 31 August 2015. The effect of the change has been to reduce the debit to expense by £9,000 and increase the debit in other recognised gains and losses in the SoFA by an equivalent amount.
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HORIZON MULTI ACADEMY TRUST
(A COMPANY LIMITED BY GUARANTEE)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2016

26. FINANCIAL INSTRUMENTS

	2016	2015
	£	£
Financial assets measured at amortised cost	16,320	15,159
Financial liabilities measured at amortised cost	(71,914)	(49,400)

Financial assets measured at amortised cost comprise accrued income and trade debtors.

Financial liabilities measured at amortised cost comprise accruals, other creditors and trade creditors.

27. POST BALANCE SHEET EVENTS

On 1 September 2016, Hooe Primary Academy Trust and Widewell Primary Academy joined the Trust to form a Multi Academy Trust.

Stepping Stones Pre-School, based at Elburton Primary School, also joined the Trust on 1 September 2016.

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

	2016	2015
	£	£
Net (expenditure)/income for the year (as per Statement of financial activities)	(65,583)	5,628
Adjustment for:		
Depreciation charges	61,078	70,847
Interest received	(229)	(3,167)
Decrease in stocks	108	207
Decrease in debtors	5,741	42,962
Decrease in creditors	(1,176)	(36,168)
Capital grants from DfE and other capital income	(17,450)	(8,736)
Defined benefit pension scheme finance cost	50,000	43,000
Net cash provided by operating activities	32,489	114,573

29. ANALYSIS OF CASH AND CASH EQUIVALENTS

	2016	2015
	£	£
Cash in hand	337,157	334,671
Total	337,157	334,671

30. CONTROLLING PARTY

The ultimate controlling party is the members. No individual has ultimate control.